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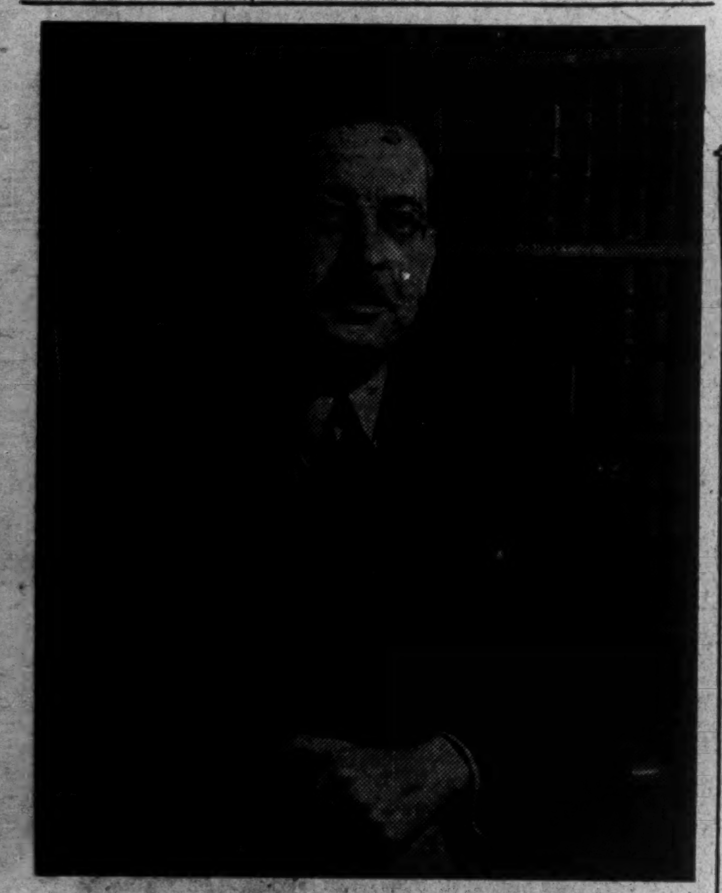
Dean of Biggest Law School



Cecil A. Wright, at 44, last week became Dean of Canada's largest law school, Osgoode Hall in Toronto (over 800) where he has been lecturer in law since 1927. Born at London, Ont., gold medallist (1923) in political science at University of Western Ontario, he was chairman of many conciliation boards on labor disputes during the war; for 10 years was editor of Canadian Bar Review.

THE NATION'S BUSINESS

Farm Prosperity Not Easily Upset

Whether or not the recent break in commodity prices has run its course it is absurd to talk of any real farm depression looming in Canada. Agriculture today is far less vulnerable than it was when the drastic decline in prices sent the country's basic industry into a tail-spin a year after the first world war.

That break caught farmers with little cash in the bank, land heavily mortgaged and credit dangerously extended with implement companies and the village grocery. Money from $3 wheat went into down payments on high-priced additional land, not into paying off debt. And there were generally poor crops and record high costs in 1919. Mechanization had hardly begun to eliminate costly hand labor, to permit a man to grow six times as much wheat as his grandfather could.

The current situation is entirely different and almost uniformly favorable. Since 1937 farm mortgages in Western Canada have been reduced by more than 65%. The additional land that has been purchased has been largely paid for with cash, and, compared with the Great War period, at generally moderate values. Other indebtedness for farm equipment has been reduced in similar proportions, the great bulk of the machinery, cars, trucks, etc., in the last five years, having been bought for cash.

Today a great many farms in Western Canada, quite probably the majority, are entirely free of debt. For most of the remainder, mortgages have been substantially reduced. In addition most farmers have money in the bank plus government bonds.

Nor is that the whole story.

There is still a final payment due on the wheat crops sold in 1945, 1946 and 1947. On the 770 million bushels sold to the government Wheat Board during this period, that final payment, it is estimated, will amount to from 20 to 30 cents per bushel. Claims will be based on participation certificates issued to farmers when the wheat was delivered.

At the lowest figure, these payments will amount to over $150 millions, at the higher to $230 millions. That means an average of $1,000 for every grain-growing farm in Western Canada.

Last year's net income of Canadian agriculture is now estimated at the record total of almost $2.5 billions. What the figure for this year will be no one can guess at this time. Much will depend upon weather. Much will depend upon prices. But the total could be considerably less than in 1947 and still leave Canadian agriculture sound and prosperous. That is, a vital, crucial fact for every business in Canada and for every citizen of Canada.

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Bureaucratic Arrogance

Socialists, and some others who decline the socialist label, constantly trumpet the supposed virtues of publicly-owned enterprises. These are supposed to be paragons of "disinterested public service." Their freedom from "profits" is supposed to mean that their customers get superior value; is presumed to give them a monopoly on economic and moral virtues.

When the people of Ontario bought out the privately owned power enterprises, it was because they wanted "the people" to own the utilities. This move was supposed to remove them from the "clutches" of an "irresponsible group of private capitalists."

In recent weeks, Torontonians and other Ontario people have had a chance to see something of how such arms of government work. People have been caught in stalled elevators. Industrial processes have been halted with serious loss. A large segment of the nation has been seriously incommoded.

That there is a power shortage, and that some means of conserving power was necessary, are facts generally accepted. Reasons as to why there is a power shortage the public will sift out later.

What the public does not like, and what it will long remember as typical of bureaucratic arrogance, is the manner in which power-saving policies were put into effect: by pulling switches, regardless of consequences.

No privately owned corporation, providing the public with any important service, would dare think of such a procedure. The private business has, and well knows that it has, the constant job of explaining its task, its problems and its plans to the public in considerable detail. Its welfare is tied inseparably with the public's willingness to support it. If that understanding and support is lost, the business is in for trouble.

The record of Toronto Hydro tends to confirm that the *establishment of "independent" commissions to operate* "the people's" utilities leads to an arrogance of attitude and to arbitrary action completely foreign to that of the private business and remarkably indifferent to the convenience of the public.

Salmon Goes to U.S. May Cut Our Pack

B. C. Canners Object to Export of Raw Fish to Higher-priced U. S. Market – See Danger to Canadian Industry on the West Coast

BY RONALD WILLIAMS

VANCOUVER (Staff)—British Columbia salmon canners were heading for Ottawa this week to again plead their case for reimposition of the embargo on the export of certain types of raw fish to the United States.

Lifting of the restrictions last fall gave B. C. fishermen a crack at the higher-price American market. As a result enough fish was shipped to U. S. canneries in a few weeks for 150,000 cases of salmon.

This meant that much less for Canadian canneries which aren't able to match U. S. prices (as much as 10 cents a lb. more) without raising prices to the higher U. S. level.

At present Canadian salmon canners are getting $25 a case for Sockeye. U. S. canners are getting $36.

Without some form of restriction, the raw fish naturally finds its way into the high-price market. Canadian fishermen are getting higher prices but the salmon canning industry has been hit a heavy blow.

What Action Means

According to S. M. Rosenberg of Canadian Fishing Co. and a spokesman for the industry, the government action means one of two things:

1. Higher prices for Canadian canned salmon for domestic consumption and export (60% of the Canadian salmon pack is for the United Kingdom).
2. The end of the cannning industry. Without raw fish the plants must close down. Already more and more Canadian salmon is finding its way to the more lucrative U. S. market.

In 1946, the salmon pack was worth $25.4 millions, leading all other phases of B. C.'s fishing industry by a wide margin. Operators here believe the embargo which has been on and off for 50 years was lifted this time as a Canadian "concession" in recent trade talks with the U. S.

At the same time, the U. S., through the Geneva agreement, cut the duty on raw fish from one to half a cent a pound. But nothing was done about the 25% duty on processed fish. Thus Canadian canners are still shut out of the U. S. market.

How Duty Works

This is the way the duty works today. About 80 lbs. of raw fish is needed for a case of salmon. At half a cent a lb. the U. S. duty amounts to 40 cents. But when Canadian canners want to export processed fish, the duty is $7 a case.

"In effect," says Rosenberg, Ottawa has created the very situation it is trying to eliminate in its dollar-saving program. In this case, the way has been opened up to divert raw products to the U. S. market instead of increasing processing in Canada."

"If this was a move toward freeing trade let's go the whole way and take the duty off canned salmon as well," declared Rosenberg. "The way it is now all the concessions have been on our side."

PRICES

Probes highlighted the week in prices.

In Toronto, price-fixing charges against 18 dental supply firms were being heard in the Assize Court (see separate story, page 12).

The Commons Prices Committee was getting near the meat of its investigation, had heard a good deal about fruit and bread prices at wholesale and retail levels, about over-all and specific markups and profits in chain store food operations.

The Combines Investigation Commission meanwhile was proceeding with six separate investigations into six industries: bread, rubber, matches, gasoline, optical goods, the flat glass industry (The Financial Post, Feb. 21).

In the U. S. the market in grain and commodity futures had steadied at midweek, though May wheat was still little above its low point in the big break.

It stood, at Tuesday's close, at $2.37¼—just 4¼c above the low and 39½c below the price offered when the break started on Feb. 4.

May corn had rallied to $2.16½—20c above the low of $1.96½ and 15½c below the Feb. 4 price.

May cotton was almost back where it started; at 32.95c a lb. as against 33.80c on Feb. 4.

On the Winnipeg grain market, May barley was ¾c above its Feb. 4 price of $1.20, May oats at 80⅝ was but 1¾c below the Feb. 4 price.

Prices Committee—Bread: Two key men in the chain store business answered a question that's puzzled many consumers. If one loaf can be sold at 10c why 14c for a similar product. The answer they gave, in effect: we can't sell all our bread at 10c and make a workable margin; we put it there to meet competition at an uneconomic markup.

Loblaw's vice-president, R. G. Meech explained: Canada Bread makes both our loaves. The 10c article costs 9c, giving us a markup of 10%; the 14c loaf costs 10.35c giving a markup of 26%. Against this the 10c loaf sold two for 15c before the subsidy was lifted from flour giving a markup of 15.5%, the 14c loaf sold then for 10c (markup 25.5%).

In short, the groceteria was taking a smaller markup than before prices were forced up by lifting of subsidies and increased bakery costs.

From General Bakeries, secretary-treasurer, James C. MacDonald, the committee heard that the cost of flour in a loaf had doubled in five months. In September when flour was subsidized

(Continued on page 2, col. 4)

U. K. Steps Up Copper Buying For 2nd Half

Over 70 Million Lbs. Taken From Our Mines —Price Basis Same

Canadian copper producers have reached "substantial agreement" with the British Ministry of Supply on U. K. purchase of Canadian copper for delivery in the last half of 1948, The Financial Post is informed. The actual agreement, however, has yet to be signed.

Tonnage taken is considerably in excess of the 24,000 long tons (53,760,000 lb.) contracted by the United Kingdom for delivery in the first half of 1948. Negotiations for copper tonnage for delivery in the second half of 1948 for some time ranged around the figure of 36,000 tons but the final tonnage agreed on was 10% less than this — all in special shapes. The long ton is 2,240 lb. so that 72,576,000 lb. of Canadian copper will be taken by the U. K. in the second half.

Pricing Arrangement Continued

Price for the second half copper will be determined by the Engineering & Mining Journal price for N. Y. export copper three months before date of delivery. This is the same pricing arrangement as prevails for deliveries in the first half. From present market conditions in the base metal field, producers feel that this assures a satisfactory price for the balance of the year.

Actually, the United Kingdom would probably have taken a larger tonnage of copper than proved the case except for the question of means of payment.

Despite the weakness in other commodities, the market for base metals continues very strong. Canadian producers have no current worries about selling their output.

Could Sell Much More

A top executive of one of Canada's foremost Canadian copper producers reports that several times his company's entire copper output could be marketed in world markets if the output were available. This is on demand outside the United States. The U. S. would gladly take all Canada's exportable surplus. Most Canadian copper producers, however, find it more profitable to sell their exportable surplus in the United Kingdom and elsewhere rather than in the United States as freight and insurance considerations mean a higher net price to the producer.

How Our Industry Shares in Defense

New Business Board to Co-operate in 'Preparedness' Program – Plan to Stockpile Both Materials and Experience

By KENNETH R. WILSON

OTTAWA (Staff) — Important steps toward implementation of an "industrial preparedness" program for Canadian industry are in course of preparation here and in Montreal.

Within a matter of weeks it is hoped to be able to announce the personnel of an industrial organization board to assist the Minister of National Defense in all matters relating to the "industrial" side of Canada's defense program. It is hoped that a leading Canadian who took a very active part in wartime industrial mobilization will become the first chairman of this board.

Such a body was outlined in the white paper of defense published by the Government last year. Its function would be advisory as between industry, the services and other government departments. It would probably assume some responsibility in taking an inventory of essential national resources; give advice on matters of stockpiling of essential materials, etc.

Of more immediate importance is the active development at Montreal of a Canadian Ordnance Association. This body was incorporated by letters patent on Nov. 17, 1947. It aspires to become a comparable body in the field of munitions to the role now played by the Canadian Manufacturers Association in respect to manufacturing in general.

Independent of Government

Essential point about the newly-formed COA is that it is to be completely independent of government. With this essential limitation and objective it intends to extend its membership into all Canadian industry and provide "a medium for the pooling of the experience of industry, the armed forces and veterans of previous wars for the proper and efficient equipment of the armed forces."

One small but important feature of the present organization plans of the association is a clearance at Ottawa that contributions made to the association shall be deductible for income tax purposes. This matter has just recently been cleared at Ottawa, it is reported.

A third part of this industrial preparedness picture is the work and activities of Canadian Arsenals, Ltd., the Crown company set up after the war to maintain tools, plant and personnel adequate to meet day-to-day needs of the Army in peacetime and act as a nucleus for emergency production of armaments in case of war.

Covers Three Services

Originally intended to be purely concerned with Army ordnance, the Ordnance Association has now been extended to cover the three armed services.

Its president is Col. Victor Sifton of Winnipeg. The general manager and chief executive officer is Major General G. B. Howard. Included on the council are men like D. B. Greig of Ford Motor, Col. Malcolm Jolley, of Acme Screw & Gear, J. G. Morrow of Steel Co. of Canada; H. Greville Smith of Canadian Industries Ltd.; Major - General Young of Hamilton, former Major-General of Ordnance, J. G. Notman of Dominion Engineering; Brig. H. B. Keenleyside of Toronto; Brig. L. Patrick of Calgary; C. Wallace of Vancouver; Brigadiers G. M. Grant and D. G. J. Farquharson of Toronto. R. M. P. Hamilton of Toronto; N. A. Hesler of Sackville, N.B.; Commander K. S. MacLachlan; Lt.-Col. W. Culver Riley of Winnipeg, Terence Sheard and Col. H. G. Thompson of Toronto.

Special committees are now in process of formation on such items of equipment as: guns, cartridges, small arms, automotive equipment, communications, ships, aircraft, chemicals and explosives. This phase of association activity is covered in its general purposes as promotion of "the organization of groups of individuals who have special knowledge of the requirements of the armed forces, methods of production and production facilities on whom the duty of design supply and production would fall in the event of a national emergency."

The aim here is to assume responsibility for "mutual education" of both industry and the services and prevent situations such as developed in 1939 where the Government had no knowledge of the technical or mechanical "inventory" of Canadian industry. It is quite obviously the intention of the associations to maintain complete independence of Government so that it can at all times be completely objective and critical about the state of

(Continued on page 2, col. 5)

Inside News

Tourists Wanted

Canada's 1948 tourist business should prove an important factor in alleviating this country's acute shortage of American dollars. What can governments, travel bureaus and private citizens do to build up the influx of visitors? Representative Canadian discuss the subject, in answering a Financial Post questionnaire (p 19).

Canadians Saving More

With employment and wages at a high level, Canadians increased their savings accounts in chartered banks by $329 millions, to a total of $3,805 millions, last year. Savings accounts average $600, an increase of approximately $27 over 1946. The ratio of savings deposits to demand deposits increased during 1947 (p 23).

1948 Dividends Up

Dividends payable by Canadian companies in March, as declared to Feb. 20, total $40,205,202, against $41,743,192 for the full month of March 1947. Indicated payments for the first three months of 1948 are up 23% from the corresponding 1947 quarter, at $106,339,435. Mining companies show the only major increase during March (p 5).

Food Store Picture

How much of your food dollar goes into your neighorhood grocer's pocket? Not nearly as much as many believe; 9 cents at the most, before any deductions for income tax. The Financial Post presents a detailed analysis of the retail food store picture (p 7).

Partners in Job-finding

Canadians in every walk of life, have a voice in the task of placing potential workers in posts for which they are best fitted. A Financial Post article outlines the manner in which local Employment Committees co-operate with the National Unemployment Insurance Commission (p 11).

Speaking of Operations

The vision, energy and practical knowledge, of a one-time Swiss immigrant have, in the last 10 years, given Canada an important new industry, removed its dependence on imports for hospital operating equipment, and built up a new export market (p 13).

Banking News	23
Construction Trends	10
Insurance News	22
Labor Roundup	8
Mine Development	27
Provincial Roundup	9
What's New in Business	14
You Asked Us	17

New Fibres Made in Canada Widen Nylon, Rayon Roles

Further evidence of the growing importance of Canada's synthetic textile production is seen in two recent developments—first production of nylon and rayon staple fibres. Involved in the operations are the three big names in the synthetic textile field—Canadian Industries Ltd., Canadian Celanese Corp. and Courtaulds (Canada) Ltd.

Production of staple fibres in both synthetics will offer Canadians a wider variety of textile goods incorporating many special features; it will cut our imports, particularly in rayon staple, almost to nothing. In 1947 Canada imported 12.5 million lbs. of rayon staple at a cost of $4,121,285.

Staple fibre is made by cutting the single fibre filament yarn into short lengths which are then spun into staple yarns or are blended and spun with other fibres such as cotton, wool, etc. Production of acetate staple fibre was begun by Canadian Celanese Ltd. in late 1947 and already the company can supply the entire domestic demand for this type. The production of viscose staple, the other type used in Canada, will be started shortly by Courtaulds (Canada) Ltd. in its new Cornwall plant.

C. I. L.'s huge Kingston plant is now producing nylon staple fibre. This opens up a new family of fabrics. The nylon staple will blend with all fibres, either natural or synthetic and will impart new properties to finished goods. The new staple fibre will possess the "curliness" of woolen fibres and will add a new flexibility while retaining the other characteristic and desirable nylon features.

From a manufacturer's point of view, the nylon staple has important advantages. It can be processed in the same manner as the natural fibres on the cotton, woolen or worsted systems with a minimum alteration or adjustment. In blends with other fibres, process efficiency may be improved owing to the strength and uniformity of the nylon staple, manufacturers say. Nylon staple fibre is five times as strong as wool, twice as strong as cotton, processors say.

Men's half hose, ladies anklets, sweaters and sportswear will be made of all nylon or nylon-wool blends. Such products will not need blocking or stretching after laundering. Also possible are woven suits of flannel and gaberdine types that can even be laundered safely at home, the makers claim. From all-nylon yarns it is possible to make baby garments and blankets which may be boiled for sterilization but which remain unchanged in dimension.

Stylists Train Guns on Man To Sell Bold, Tall, Any Look

Men, your tailors, your haberdashers, are after more of your spending money. They plan to bring Savile Row, Fifth Avenue to Canada; in short, to make you style-conscious or else.

They've thumbed through milady's book of promotion in haute couture, through a dozen books of promotion, counted the greenback returns and decided they too could use a shot or two in the business arm.

For men, then: the Bold Look, the Tall Look—anyway, a Look.

The blarney aside, manufacturers and retailers of men's wear have decided that the average Canadian doesn't spend half enough on his dress, is too self-conscious about dressing for the occasion for the good of the men's wear business.

Who's to blame? We, the men's wear men admit, for not advertising.

So today they're readying a national promotional campaign which they estimate will cost between $200,000 and $400,000 a year to put over.

The central theme: Let's make Canadians the best-dressed men in the world.

The means to the business boom end: Educating the teenager out of the idea that the well-dressed kid on the block is the sissy into the belief that he's the wise one. Getting man out of the dilatory habit of buying a new suit only once in every two years, an overcoat only once in every five (present estimated average).

And, for all men, more suits, more ties, more socks, more hats, more shirts, for more occasions. Or, as the wife would say, more ensembles.

As the men's wear men see it: Salesmanship makes the wheels of business turn; we've just got to get selling. Currently a committee of manufacturers and retailers is planning the mechanics of just that.

No Price Increase Planned For Paper By Howard Smith

Although Provincial Paper Co. has indicated that it will increase the price of its fine paper products on March 1, Howard Smith Paper Mills Ltd. is not contemplating such a move at the present time and has not increased prices, The Financial Post is told.

Neither Rolland Paper Co. or E. B. Eddy Co.—the two other principal fine paper producers—would indicate at mid-week what they might do but they had not raised their prices yet.

The amount of the increase to be announced by Provincial Paper was not generally known in the trade at mid-week. Provincial Paper is known to be the largest supplier of fine paper to the publishers.

CCF Leans to Private Capital?

Here Are Signs of Saskatchewan Policy Shift

By RONALD WILLIAMS

REGINA (Staff) — Is there a major shift in CCF national policy toward state ownership?

Some people in this first province to get a Socialist government seem to think there is.

Here are some of the evidences they are looking at:

The Government here seems to be wooing private enterprise with inducements which, it contends, outdo those offered by anti-Socialist governments.

Just getting under way is an extensive mineral development program. The key to its success will not be state ownership, but private ownership. This is admitted by the Government itself.

To try to get Eastern capital interested, the Government's newly appointed director of mineral resources, W. J. Bichan, recently made a trip East. As bait he offered agreements guaranteeing protection of investment and security of tenure, plus sharply reduced royalty rates in lower brackets.

Significant About-Face

This in itself was enough to make a lot of people sit up and take notice, CCFers perhaps most of all.

Natural Resources Minister Phelps tried to make the pill as palatable as possible so it wouldn't gag the faithful; but it was impossible to hide the fact that the new policy was a significant about-face on a cherished Socialist principle — state ownership of natural resources. Some departures had been noted before. But this was a whole change of policy.

In effect, the Saskatchewan Socialists propose doing the very thing which the CCF damns others for doing in selling the natural resources of the country to private interests.

Then came the startling radio statement of Attorney-General Corman implying that the CCF was ready to accept a modified or "CCF-type of free enterprise."

This stopped a lot more CCFers in their tracks. This was a long way from what they had been hearing.

A third sign came from British Columbia. Provincial Leader Harold Winch, speaking at a University meeting, said, in effect, that the CCF doesn't hope to socialize provincially. He admitted it could not be done.

Separately, each incident is being considered as significant. Together, some believe, they point the way to a back-tracking movement.

They believe the CCF, in testing out its theories in Saskatchewan, has come to the conclusion that certain kinds of economic development can only be undertaken by private capital.

Too Risky for Government

Officially, the CCF here denies any major change in policy. Provincial Treasurer C. M. Fines, speaking of the mineral scheme, told me that it couldn't possibly be a change because, before, no policy had existed regarding mineral development.

But nonelective, non-CCF officials had a different view. They left no doubts that the Government here is now convinced that only private risk capital can develop and exploit mineral resources. It is too expensive and risky for governments, even Socialist governments.

Development and exploration has boomed in other provinces. In Saskatchewan, it has languished. Last year, for example, only 250 gold claims were staked; in neighboring Manitoba, 6,000. Yet the geological signs are regarded as favorable in both provinces.

The new policy was incorporated in an order-in-council Dec. 9. This was followed up by another, lowering royalty rates and the method of computing them.

Briefly, the new policy, which is aimed specifically at big com-

(Continued on page 2, col. 6)

The Pace of Business

Golds, western oils and paper stocks showed strength on Canadian exchanges in past week. Golds rose almost five points (TSE index) reflecting buying of senior issues—Dome, McIntyre, etc. By Tuesday, activity had spread to junior gold producers.

Canadian newsprint output showed an increase of 1,637 tons in January to 371,637 tons over same 1947 month. Output of Newfoundland was down 12.4% and U. S., 5.2%, in corresponding period.

Natural gas output reached a peak of 6,075 million cu. ft in December, climaxing a year of heavy production. Total previous month was 5,478 million cu. ft.

Canadian petroleum output showed an increase of 1.6% to 7,729,500 bbls. in 1947, according to DBS final figures.

Merchandise exports showed a $26.8 million increase to $235.4 millions in January compared with year previous but a $30.8 millions drop from December total.

Nickel output showed a sharp spurt in December, at 22,846,809 lb., against 19,742,459 lb. previous month (17,208,280 lb., December, 1946).

December gold output was highest monthly figure in recent years. Total of 274,686 oz. produced compares with 252,174 oz. previous month (229,439 oz., December, 1946).

Car loadings week ended Feb. 14 showed a further decline to 69,529 cars vs. 70,777 cars previous week, but a 5.5% increase over 65,909 cars of corresponding 1947 week.

Coal production showed a decline of 21% to 1,351,000 tons in January from a year earlier. Strike in western mines caused 43% drop in Alberta, 62% in British Columbia.

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BOX 143, THE FINANCIAL POST, TORONTO

Will Proclaim Securities Act Very Shortly

New Association Hopes to Accept Members in Next Few Days

Hard on the heels of this week's proclamation of Ontario's Broker-Dealers Act, 1947 is expected to come proclamation of The Securities Act 1947—the new act which provides the self-government "framework" for the securities business in Ontario.

This week Ontario authorities were busy finalizing both the regulations under the Broker-Dealer Act and the regulations under the new Securities Act, both of which will be put in effect by order-in-council of the Procincial Cabinet.

While the proposed regulations within which the Broker-Dealers' Association will work had been drawn up by an outside advisory committee these have to be revised in a form acceptable to the Registrar of Regulations, before going to the Cabinet.

Beating Deadline Difficult

Many of the powers being provided the new Broker-Dealers' Association are being provided by regulation rather than through the Act itself in order that any changes found necessary may later be made by order-in-council without requiring new legislation.

Although the board of governors of the new Broker-Dealers' Association has been named, they have not yet been able to commence operations. They were unable to provide applications for membership this week although many firms were making enquiries about joining up in anticipation of proclamation of The Securities Act. To act as principals in an investment transaction, all investment firms must be members of the IDA or the new Broker-Dealers' Association.

Members of the board of Governors of the new Association, as announced, are as follows:

Governors:	Associate firm:
Arthur W. White	Brewis & White
Cecil Tom	Tom and Barnt
E. H. Pooler	E. H. Pooler & Co.*
Harry W. Knight Sr.	Draper Dobie & Co.*
Irving R. Picard	Picard & Fleming
J. M. Rogers	Doherty, Roadhouse
Louis Cadesky	C. E. Hepburn & Co.
Reg. S. Lampard	Lampard, Francis & Co.
Sidney Davidget	National Securities

*Member, Toronto Stock Exchange.
†Representing salesmen.

PRICES

(Continued from page 1)

cost for a 24-oz. loaf was 2.219c; in November, 4.427c; today 4.101c.

Was there a bread price-fixing agreement between chain stores and suppliers? Dominion Stores' vice-president, Louis D. Squair, answered: Emphatically not.

Mr. Meech gave some other facts of groceteria operation:

Overall margin at August 1, was 17.75%; it's less now. He detailed markups on individual items. Here they are with independents' recommended markups in brackets:

Milk, 5% (same); butter 5%-7% (10%), fresh fruit and vegetables 27%-33% (15%-40%), canned fruits and vegetables 20% (15%-20%), baby foods 20% (18%-20%), sugar 10% (same), household supplies 20% (20%-25%), biscuits 30% (30%-35%), bread 17.9% (18%-20%).

Mr. Squair put Dominion Stores' margin on all operations at 15.9% with a net of 1.85% and gave this reassurance to worried independents fearing a policy of loss leader selling: "It's dangerous for any company to go out and unsettle prices on lines selling at normal markups—we can't sell at a loss."

Price Committee—Fruits: Hard on the heels of charges by the Retail Merchants Association that wholesalers had made "exorbitant profits" in handling citrus fruits (The Financial Post, Feb. 21) the WPTB reimposed markup controls on oranges, lemons, limes, grapefruit.

The wholesaler could now take a maximum 17% on sales to retailers (it had been 15% in wartime); the independent retailer 30% except on grapefruit (25%); the chain store, 35% and 30%.

Net result at midweek: Florida grapefruit were down 20c a case from last week's $4 on the Toronto fruit market; Texas grapefruit remained unchanged at $4; California oranges were up 50c a case at the top to $7.50, down 50c in the lower grades to $5; Florida oranges were down by $1.15 to $1.30.

Said the wholesalers answering retailers' charges before the Committee: "It's our over-all profit on all produce that counts, not individual items. Restrictions forced prices up, our wholesale volume's down 30% from last year, will be down another 30% by the time fresh domestic produce comes in."

Charging domestic growers with holding out for a higher market after import restrictions were announced, George Reynolds, produce wholesalers spokesman cited these prices:

Cabbage $1.35 a bag on Nov. 11, up to $2 at Nov. 20;

Carrots $1 a bushel at Oct. 30, up to $3.25 by Feb. 12;

Celery $1.50 a crate at Nov 8, up as high as $4 by Dec. 27 and $10 by Jan. 23.

Meat: Ceilings, which the Government announced Jan. 15 were to be reimposed, were not yet in effect at midweek. WPTB spokesman said the new ceilings were ready, merely awaited government order. But present prices were fairly reasonable compared with pressing situation existing at mid-January. Example: sirloin today is selling at 49c in Toronto, around 10% less than at mid-January.

Steel moved up in the U. S. on semifinished products by approximately $5 a gross ton (2,240 lbs.) but the increase would affect only 4% of total shipments. There's no likelihood of a similar move here. There have been no discussions in Ottawa to that end nor have any representations been made. (Last price change allowed here was an increase of $7.50 to $8 a ton. (Oct. 1.)

Coal from Alberta fields, as had been expected (The Financial Post, Feb. 21) was up $1 to $1.75 a ton following wage increases to miners.

Newsprint: Increases of $6 a ton announced by Consolidated, Price Bros. and several other producers bringing virtually all into the $92 a ton (in Canada), $96 (in U. S.) class.

Textiles: A delegation was in Britain seeking lower prices for cotton, woolens, worsteds. A cut of 20%-30% is looked for to bring prices more into line with domestic textile prices. Clothing trade here currently is complaining that a number of British firms forced into the Canadian market by British Government direction is asking "fantastically high" prices.

Rents: Property owners were preparing an appeal to Finance Minister Abbott for a higher level of rentals; a general increase of 15% would be sought. Controls were off summer cottages, tourist cabins, ski lodges, hunting chalets unless already occupied.

Beer: Hint that an increase would be sought (the first since 1944) came from E. P. Taylor, chairman, Canadian Breweries Ltd. at annual meeting last week. Likelihood is confirmed among other producers.

Eggs are expected to go up shortly. Receipts have been light and short of current needs.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Arnett Co. (Winnipeg)—Albert E. Lawson, sales representative, Alberta and British Columbia.

All-Canada Radio Facilities Ltd.—Don McKim, in charge of promotion, publicity and advertising (Toronto).

Acadia Trust Co. — M. R. Chappell (Sydney) a director.

Alberta Government Insurance Office—William Rachuk, supervisor, Vegreville-St. Paul district; C. C. Delamater, supervisor, Edmonton.

Alberta Petroleum & Natural Gas Board—G. W. Govier, a member.

American Can Co. (Hamilton)—C. A. Bartells, assistant manager of manufacture in Canada.

Atlas Steels Ltd. — F. F. Bain, stainless steel service metallurgist.

Bank of Nova Scotia—W. G. Henderson, H. A. Bell, assistant supervisors, Winnipeg.

Belding-Corticelli Ltd. — Wm. G. Hicks, a director.

Canada Trust Co. — Wm. E. Baxter, manager, Vancouver branch.

Canadian Allis-Chalmers Ltd. — J. C. Boyd (Toronto), in charge of Ontario sales.

Canadian Broadcasting Corp. — Dan Cameron, manager, station CBX, Edmonton.

Canada Cement Co. — J. D Johnson, chairman of board; F. B. Kilbourn, president; J. M. Breen, executive vice-president and general manager; H. R. Milner, a director.

Crown Trust Co.—Frank R. Hughes, manager London branch; R. W. Roberts, supervisor.

Canada Life Assurance Co.—A. G. MacKenzie, superintendent of agencies; J. Q. Strong, assistant comptroller of agencies; John Bain, assistant superintendent of agencies.

Canadian Bicycle and Sport Goods Dealers' Association—Harry B. Kennedy (Toronto) president.

Chicago, Milwaukee, St. Paul & Pacific Railroad Co.—W. J. Landry, city freight and passenger agent, Vancouver.

Canadian National Express—F. M. Smith, general superintendent, eastern district (Montreal); C. W. Smith, superintendent, air and foreign traffic (Montreal); R. A. Gordon, superintendent, Atlantic division (Moncton(; Neil McLellan, assistant superintendent.

Canadian Institute of Surveying—J. H. Ramsey (Fredericton), president; H. E. Seeley (Ottawa), W. Humphreys (Winnipeg), vice-presidents.

Canadian National Railways — J. S. Loutit, city ticket agent, Victoria.

Canadian Pacific Railway Co.—C. E. Jefferson (Montreal) general traffic manager; H. W. Gillis (Winnipeg), Gerald Hiam, G. F. Buckingham (both Montreal), freight traffic managers; R. A. Emerson, engineer of track, Montreal; W. G. Dyer, district engineer, Vancouver; Harry F. Nelson, district messenger agent, Toronto.

Confederation Life Association—C. D. Devlin, vice-president and general manager; H. C. F. Mockridge, R. H. L. Massie, directors.

Credit Foncier Franco-Canadien—Rosaire Dupuis, a commissioner-censor.

Donnell & Mudge Ltd. — K. B. Palmer, a director.

Dudley Dawson Ltd. (Montreal)—J. V. Emory, an associate.

Evans, Coleman & Evans Ltd.—Wm. F. Foster, assistant general manager.

Guaranty Trust Co. of Canada—G. Harold Edwards, comptroller.

International Harvester Co. of Canada — W. C. Smith, manager; R. A. Dowling assistant manager; W. A. Wright, retail sales manager, (all at Toronto branch).

Imperial Oil Ltd. — Geo. L. Macpherson, manager of engineering and development division, manufacturing department.

John B. Stetson Co. (Canada)—G. A. Higginson, sales manager.

La Revue Moderne (Montreal)—Leo Cadieux, managing director, and editor; R. J. Brown, vice-president and advertising manager.

Loblaw Groceterias Ltd. — Geo. C. Metcalfe, vice-president and assistant general manager.

Mackenzie White-Dunsmuir, Ltd. (Vancouver—R. L. Kennedy, comptroller and personnel manager.

H. R. MacMillan Export Co. — Maj.-Gen. B. M. Hoffmeister, general production manager.

Manitoba Government — J. S. Anderson, chairman, film censor board.

Manitoba Power Commission—R. C. Smellie, chairman; Gerald F. Habing, J. J. Kelly, P. A. Kennedy, members.

Monarch Knitting Co.—Frederick J. Coombs, chairman of board; Gordon Hanks, a director.

Montreal Tramways Co. — Geo. C. McDonald, J. A. Savoie, directors.

Ontario Plowmen's Association—Walter Downey (Minesing), president; V. C. Porteous (Owen Sound), Roy Shaver (Finch), vice-presidents; J. A. Carroll (Toronto), secretary; Clark Young (Milliken), treasurer.

Osgoode Hall Law School (Toronto) — Dr. Cecil A. Wright, dean.

Pepsodent Co. of Canada (Toronto)—J. C. Lockwood, a director.

Peerless Laundry & Cleaners Ltd. (Winnipeg) — S. D. Brown, chairman of board; Don. H. Murdoch, president and general manager; Gordon Gage, vice president; Vincent Macdonald, secretary-treasurer.

Pomological & Fruit Growing Society of Quebec—Lucien Fontaine (St. Hilaire) president; Floyd Stevenson (Franklin) vice-president.

Rubberset Co., Canada — C. A. Bradbrooke, vice-president and a director.

St. James Leader (and Springfield Leader) — Garth Pickell, advertising manager.

W. H. Schwartz & Sons Ltd. (Halifax) — L. deG. Lepinay, a director.

Toronto Stock Exchange—Gwynn H. Osler, a member.

S. K. D. Tool Co. (Amerstburg)—Gordon J. Knight, sales manager for Canada.

Western Canada Bituminous Coal Operators' Association—J. J. McIntyre, (Coleman), president.

Wood, Fleming & Co. (Toronto)—J. S. H. Thomas, an associate.

Preparedness For Industry

(Continued from page 1)

defence preparedness in relation to industry.

Canadian Arsenals Ltd. is under the direction of Major-General John MacQueen. Present personnel and staff numbers about 1,200 persons distributed in the seven arsenal plants at Lindsay, Long Branch, Quebec, Leaside, Cherrier, Valleyfield and Longueuil. Currently the company has an annual budget of about $2.9 millions. It is presently assessing its "inventory" of tools and equipment to make available any "surplus" for the use of Canadian manufacturers. This was referred to in the Commons last week by Trade Minster Howe when he said: "The pressure for additional parts and components from Canadian sources has been so great that the Government has decided to review the stores of machinery held by Canadian Arsenals and to rent out machines that can be useful to various manufacturers in expanding their operations. Everywhere in Canada, any space capable of making components is being explored and picked up by Canadian manufacturers."

This current demand for "bits and pieces" machinery is in no sense tied to any matter of "industrial preparedness" for a possible emergency. It merely happens that Canadian Arsenals has an inventory of certain machines badly needed now for the huge capital investment and production program now reaching into almost every part of Canada.

Look For It Here

Feb. 28, 1948

REGULAR FEATURES

Adelphi 21
Banking 23
Construction . . 10
Editorials 6
Grain 20
Insurance . . . 22
Investments . . 4, 5
Labor Roundup 8
Managed Invest. 5
Market C'ment. 25
Mining . . . 26, 27
Others Say . . . 6
Post Scripts. . . 6
Prov. Roundup 9
Quotations . . . 24
The Question . . 19
What's New . . 14
You Asked Us . 17

INVESTMENTS

Asbestos Corp. . 19
B. C. Telephone 23
Bldg. Products . 8
Ballantyne . . . 5
Barcelona Trac. 5
Brazilian Tract. 5
Brandram Hen. 4
Barber Ellis . . 4
Cal. & Ed. Corp. 20
Can. Dry Ginger 11
Can. Utilities . . 22
Corning Glass . 14
Cons. Paper . . 4
Can. Breweries 4
Dover Inds. . . 17
Excelsior Life . 21
Empire Life . . 21
E. Can. Svgs. . . 13
Fidelity Life . . 13
Fire Ins. Co. . . 12
Fleet Mfg. . . . 5
Fairchild Air. . 18
Fraser Co. . . . 4
Gen. Trust . . . 12
Goodyear Tire . 18
Hart Battery . . 23
H. Walker-Good. 16
Indust. Life Ins. 13
Jam. Pub. Serv. 4
Mar. Paper Pr. 20
N. B. Telephone 23
Premier Trust . 12
Price Bros. . . . 4
Port. La P. Mut. 25
Reliance Grain 18
Steele Briggs . 17
Sovereign Life . 5
St. Law. Corp. . 4
West Trust . . 11
West Grocers . 4
Waterous 4
Winnipeg Elec. 20

MINES AND OILS

Anglo-Rouyn. . 27
Armistice Gold 27
Aero Prosp. S. 27
Aubelle Mines . 4
Anglo-Can. Oil 20
Buffalo R. L. . 27
Bear Explor. . 26
Cons. Cent. Cad. 27
Can. Gulf Oil . 27
Dickinson R. L. 27
Divers Min. Int. 27
Dickstone Cop. 27
Donalda Mines . 20
East Amphi. . . 17
El Sol Gold . . 23
East Sullivan . . 26
Frobisher 11
Giant Y'knife . 27
Groundhog G. . 27
Heva Gold . . . 27
Jonsmith Gold 17
Kirk. Gold Gate 3
Kirkland Lake . 12
Lake Wasa . . . 19
Lynn Lake N. . 12
Midcon. O. & G. 3
Nor Acme . . . 27
Naybob Gold . 27
Negus Mines . 27
Ogamma-Rock.. 27
Petrol O. & G. . 27
Piccadilly Porc. 27
Preston E Dome 12
P. & M. Explor. 4
Queenston Gold 27
Que. Labr. Dev. 26
Sturatt Olsen . 27
Silver Contact . 27
Senator Rouyn . 27
Strathmore . . . 4
Silanco M. & S. 26
Venada Min. . . 18
Y'knife Gold . . 26

CCF Shifting Sask. Policy?

(Continued from page 1)

panies (prospecting by individuals is encouraged by free transportation and cash rewards for strikes) grants such interests full and exclusive rights for 5½ years in 500 sq. mile areas. No one else would be allowed to explore in that section.

With the exception of restricted minerals like uranium, companies would have all rights to all they could find and take out. They must agree to spend $50,000 the first year, $100,000 the second, $200,000 for the next three and $100,000 in the six months in the sixth year.

A further provision stipulates that after three years, all but 50 of the original 500 sq. miles must be relinquished. By that time, the Government figures, a firm should have decided which specific areas it wants. This 50 miles can be in not more than five chunks anywhere in the original 500 sq. miles.

At the end of the 5½-year period, claims must be staked in the normal manner, along with written, notice abandoning rights in other territory.

Must Not Sell Holdings

Besides agreeing to observe the conditions of the Trade Union Act and other CCF labor legislation, firms taking advantage of these special concessions are bound not to sell or transfer holdings without the consent of the Minister. In any case, the Government must be given first option.

The Government considers its new schedule of lowered royalty rates liberal as to the terms of concession agreements. The effect is to eliminate royalties altogether on the first $10,000 net profit; 3% on $10,000-$100,000; 5% on $100,000-$500,000; 7% on $500,000-$1 million and 10% on all profits over $1 million (this was the rate for all, irrespective of volume).

The following table is a Saskatchewan comparison of its new royalty rates with those of other provinces:

On profit of	Sask.	N.W.T.	Ont.	Que.
first $100,000	$2,295	$2,700	$5,400	$3,600
first 200,000	6,545	5,700	11,400	7,600
first 400,000	15,045	11,700	23,400	15,600
first 600,000	25,245	17,700	35,400	23,600
first 800,000	37,445	23,700	47,400	31,600
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Plastics to Help Canada Earn, Save, U.S. Dollars

MONTREAL (Staff) — Following its mushroom growth during the war, the Canadian plastics industry is now settling back to consolidate its position. That was the general feeling conveyed by members of the industry at the sixth annual International Plastics Conference held here recently. New production of basic materials, refinements in the product and a general program of catching up with itself, are highlights of the industry in 1948.

An important piece of information coming from the conference was that Canadian plastics production will assist materially in saving and earning U. S. dollars for this country. Plastic fabricators have already informed the Radio Manufacturing Association that Canada has sufficient capacity to meet the domestic market demand for radio cabinets. Last year Canada imported an estimated 170,000 plastic radio cabinets with a value of around $130,000, at the same time the domestic industry turned out about 400,000 cabinets; and it is stated that this output can be boosted to meet any conceivable demand.

Both the radio and automotive industries look like more important markets for the plastic manufacturers. It is stated that an ordinary radio contains about 200 plastic parts, most, if not all, of which, can be made in Canada. Similarly, it is estimated that the plastic content of cars has increased from about ¼ to ½ lb. in 1939 to nine pounds per car in 1947. Plastic welts, seams and various extruded parts have to a great extent replaced other materials in auto manufacturing, it is stated.

Need Raw Materials

Plastics men do not say just what the net U. S. dollar savings will be through increased plastics production. For one reason, increased output of such items as extrusions, molded plastics, etc., will to some extent mean an increase in imports of raw materials, in which Canada is not yet self-sufficient. In 1946, imports of synthetic resins alone, mostly from United States, amounted to $12 millions. Another $4.4 millions was made up of cellulose items including molding compositions. Last year, imports of these items totalled close to $20 millions.

In the thermoplastic field, polystyrene and vinyl resins are about the only materials in which domestic capacity is adequate. (But in these items, it is said that there is a surplus production for export.) Also, vinyl plasticizers are now being manufactured in Canada; an item formerly imported from the United States, which in 1946 amounted to about $1,000,000.

In the thermosetting division, production capacity is being increased in phenolic and urea resins; and phenol formaldehyde molding compounds are being made for the first time. (The Financial Post, Feb. 7.) From a dollar-earning standpoint, it is pointed out that further processing of Canadian woodpulp into raw materials for cellulose plastics could become an important development in the Canadian plastics industry.

Plastics men expect that the synthetic resin market will have the greatest expansion in 1948. Glues for laminating plywood, impregnating resins for decorative board, electrical parts and resin intermediates for production of paint and varnish, appear to be items in which output will increase substantially.

Must Restore Confidence

Plastic men say that their industry is now orienting itself in its postwar surroundings. Last year plastics fabricators got some idea of what this means when business slumped rather severely, industry men say. They say it is no secret that many sections of the industry were disappointed in the volume of sales; which, nonetheless, was close to $48 millions or seven times prewar volume.

What does this re-orientation mean? Some of the speakers at this week's conference gave a few examples. Ephraim Freedman, director of Macy's Bureau of Standards, said that in a survey of retail buyers it was discovered that consumer confidence in plastics must be restored. While articles of plastic are generally satisfactory, many tag ends have been left trailing in the industry's rapid growth, which can now be cleaned up.

J. B. Neal, president of Norton Laboratories, Inc., stressed the importance of industry co-operation as a means of strengthening the industry generally.

Newfoundland Herring Will Go to Germany

(Special Correspondence)

ST. JOHN'S — A potential new market for Newfoundland fisheries was opened last week end, with signing of a contract for 45 million lb. of herring, valued at $2.7 millions, for use in the American occupation zone in Germany.

The order, signed between the Newfoundland Fisheries Board and U. S. Army procurement authorities, calls for a price of 6c per lb., U. S. funds, free alongside steamer (UNRRA in recent years paid the same price f.o.b.).

Hope is held that this country will get a repeat order of this type later, if packers can fill, or come reasonably close to filling, the present one. It also offers an entry into the important herring market of Germany, as in normal times that country is a big producer of pickled herring.

The packing period provided for in the contract is between Jan. 1 and June 15, but the Fisheries Board reserves the right to stop packing before that date, particularly in regard to gibbed herring, depending on the condition of the herring as to milt and roe. Shipments will be arranged by the Fisheries Board as quantities of herring becomes available.

MID-CONTINENT OIL & GAS says that Feb. 10 installment of 200,000 shares at 12½ cents a share has not been exercised and agreement with T. L. Brook & Co. has terminated for default.

Two Thirds Nation's Industry Operates on Electric Power

Two-thirds of all industry in Canada operates by electric power, according to figures furnished to the House of Commons. The breakdown of motive power follows:

	STEAM			OIL	HYDRAULIC		
Province	Steam engines and turbines	Electric motors operated (1)	Total	Internal combustion engines (4)	Hydraulic turbines and water wheels	Electric motors operated (1)	Total
	A	B	C=(A B)	D	E	F	G=(EF)
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.
Prince Ed. Island	26.5	23.2	49.7	20.5	29.2	0.6	29.8
Nova Scotia	36.5	20.8	57.3	8.1	7.7	26.9	34.6
New Brunswick	32.7	12.5	45.2	5.2	11.0	38.6	49.6
Quebec	9.4	(2)	9.4	2.7	14.2	73.7	87.9
Ontario	15.4	(2)	15.4	3.8	9.1	71.7	80.8
Manitoba	10.3	0.2	10.5	5.0	0.5	84.0	84.5
Saskatchewan	25.7	52.9	78.6	21.4	(3)	...	...
Alberta	21.9	37.6	59.5	12.9	0.4	27.2	27.6
British Columbia	25.5	2.9	28.4	7.8	18.3	45.5	63.8
Yukon & N.W.T.	9.6	1.6	11.2	88.8	...	...	...
Canada	15.7	1.8	17.5	4.5	11.3	66.7	78.0

(1) The total capacity of electric motors operated with power purchased from central electric stations has been divided here between steam engines and hydraulic turbines on basis of power generated by thermal and hydraulic equipment in central electric stations.

(2) Less than a tenth of one per cent.

(3) One hydraulic plant close to the Manitoba border is included in Manitoba where the power is used.

(4) Internal combustion engines are operated almost exclusively with gasoline and oil.

Fur Coat Sales Up 25-50% But Dealers Now Nervous

On the surface all is serene and happy in the retail fur trade. Canadian women are buying expensive fur coats as if they thought such a thing as a commodity price break could never take place. Both dollar and unit volume of sales are up sharply this year and establishing all-time records.

Beneath the surface, dealers and manufacturers are nervous. The more or less prevalent feeling among purchasers that prices would move higher has been the big factor behind much of this season's buying. This has even led to a sizeable increase in budget buying. What will happen when the public's buying psychology changes — a development brought much nearer by the recent tumble in many commodity prices in the U. S. — is what's worrying all branches of the trade from fur raisers to retailers.

Purchasing agents have been cautioned to buy carefully at early fur auctions and to postpone to the latest auctions the bulk of next year's replacement buying. First auctions recorded substantial price advances in most furs over the same period last year. Offerings were light, however, and buyers put little confidence in price levels established.

In the meantime retail coat prices have recovered all of last midwinter's sharp 15%-20% decline and some lines such as Canadian and Russian ermine, some high grade minks and Canadian muskrats, have even chalked up additional price increases.

Whatever happens to demand during the remainder of the season 1948 will have been a good year for the industry, a Financial Post survey of retailers reveals. The industry is also in a fairly healthy condition to withstand any deflationary wave in prices. Most retailers and manufacturers will end the season with lower-than-average inventories, it is claimed.

Belgium Speeds Recovery Offers Canada Big Market

Belgium is just about back on her feet industrially and commercially, and ready and waiting for expansion of trade with Canada. So Rene L. Lambert, president of the Belgian Chamber of Commerce in Canada from 1940-1946 told the Canadian Exporters Association in Toronto last week.

Here is a digest of Mr. Lambert's address:

By RENE L. LAMBERT

Belgium, although only one 35th the size of Ontario, is one of the most progressive industrial and commercial communities in the world and economically is perhaps more dependent on the free exchange of goods than any other country.

It is one of the most important commercial centres of Europe and offers possibilities which merit consideration in our trade expansion.

One of the most common misconceptions is that since Belgium is such a small country, it is relatively unimportant in international trade. The extent of its importance is more readily seen now that the customs union with the Netherlands and Luxembourg is an accomplished fact.

Benelux Rates Third

It is now acknowledged that after the United States and Great Britain, Benelux is one of the most important trade areas in the world; ranking third in world trade, in fact.

Although hard hit by the war, there is concrete evidence that Belgium is back on its feet and an expansion of trade on a paying basis between Belgium and Canada is rapidly approaching.

The Belgians turned to the task of rebuilding their industry, trade and commerce and of making a living in a competitive world immediately after their liberation; and there is already a healthy and progressive increase in the industrial life of the country.

By first ensuring adequate food for their people, by raising the standard of technical education, by promoting scientific research and modernization of equipment, by giving free rein to private and individual initiative and above all by hard work, they have reached in a short time the amazing results demonstrated by the following figures:

Coal production which averaged 2.4 million tons a month is now 2.2 million tons — very near prewar level.

Coke production, in 1939, 431,000 tons a month, now is 450,000 tons.

Cement production, in 1939, 250,000 tons a month, now 270,000.

Pig iron production, averaging 256,000 tons a month from 44 blast furnaces in 1939 now stands at 296,000 tons a month from 37 blast furnaces.

Steel production (unfinished products), 253,000 tons a month in 1939, is now 289,000 tons a month — above prewar level.

In glass and textiles, prewar level averages of production have been surpassed. A monthly average of 1,000 ships enter the Belgian port of Antwerp at present — an activity nine tenths of prewar volume.

As Belgium is a highly industrialized country depending largely upon imports for her raw materials and upon foreign markets for the greater part of her industrial output, the Belgian Government has always followed a liberal commercial policy. At present imports into Belgium come under a relatively liberal control system.

Canadian Wares Wanted

Among Canadian products which could find a ready market in Belgium may be listed:

Leather, shoes, rubber and rubber products, machinery and industrial equipment, solid and liquid fuels, automotive vehicles, cars, trucks, mineral ore and concentrates, asbestos, tentest wallboards, tool steel, aluminum, chemicals, cereals, barley, rye, wheat, foodstuffs, honey, sardines, salmon, codfish, canned meats and soups, condensed milk, cheese, apples, marmalades, and fruit preserves, silk hosiery, wood and wood products, and many more other products which in prewar days Belgium imported from Germany.

Meat Buyers' Strike Wins 'Inventory Profits' Vanish

For the first time since 1941 it seems likely that meat supplies in Canada will be sufficient to meet demands, an official of a leading firm of packers tells The Financial Post.

But indications are that prices will remain about present levels so long as U. K. contract prices provide a "floor" and so long as the United Kingdom is willing to take all the Canadian surplus of bacon, plus beef.

The much-discussed "inventory profit" following upward revision in U. K. contract prices effective Jan. 5, 1948, just didn't materialize, The Post is told. Estimates of this "inventory profit" were, of course, purely hypothetical, but events that have followed have wiped out even those assumed paper profits.

First, the retailer objected to any advance in prices on cured meats which, obviously had been bought at the lower price. Then came decisive resistance from houswives. "The violence of this storm took everyone by surprise," our informant said.

Strike Glutted Market

Between June 1, 1947 and Jan. 1, 1948, the cost of foods had advanced more rapidly than in any previous equivalent period. The food index had advanced from 157.7 to 182.2. The advance had been mainly due to dropping government subsidies on basic foods like butter, bread, milk, shortening, and later, by reducing imports of fresh fruits and vegetables. The advance in pork prices was the spark which touched off housewife indignation and a buyers' strike.

Then, said our informant, bacon for which retailers had been asking the increased price, could not be sold even at the previous price. Perishable meats were left on the retailer's hands. The only way he could clear them was by cutting prices; and this led him in turn to demand reductions from the packer.

Result for his particular packing house was that the expected inventory profit failed to materialize, and profit per 100 pounds for January ran at just about the level of April, May and June last year. Indications for February are that the profit margin on pork products will be reduced to a very narrow margin.

The following shows meat prices as advertised by a large chain store organization:

	for Dec. 18	for Feb. 5
Smoked ham	45	45
Shankless picnic	38	39
Smoked cottages p.m.	45	48
Sliced side bacon, rind on	59	55
Sliced side bacon, rindless	86	86
Beef sausage	35	33
Pork sausage	45	47
Round steak		
Sirloin steak	49	49
Porterhouse steak		
Rolled rib	49	55
Short rib	35	37

During the past month there have been increased marketings of cattle and hogs. Compared with January of 1947, inspected killings for all Canada last month showed a 24% increase in cattle killings, a 54% increase in hog killings.

KIRKLAND GOLDEN GATE MINES has cancelled outstanding option to Junior Golds Securities Corp. on 400,000 shares at prices ranging from 20 to 30 cents per share. Under new agreement with same optionee 100,000 shares have been underwritten at 12 cents, payable by May 11; 100,000 at 15 cents by July 11 and 100,000 shares at 20 cents by Sept. 11. When options have been lifted, issued capital will be 3,634,431 shares.

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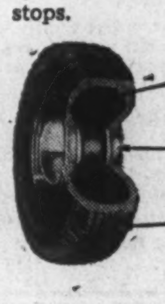
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These unique, new Super-Cushion tires use only 24 pounds of air *pressure* yet they carry 26% more air *volume,* which greatly reduces road vibration. They cushion the car against lateral or crosswise shocks, the softer tires taking the jars when they hit ruts, stones or rough pavement.

You are assured of greater safety as these new tires run cooler which lessens the chance of a blowout. Should a blowout occur, the new Dodge "Safety-Rim" wheels hold the tire on the rim — even at high speeds — allowing safe, straight stops.

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STRATHMORE MINES reports that by May 29, 1947, agreement, Eastern Geophysics Co. optioned 1.5 million shares, of which 100,000 shares at 5 cents and 100,000 shares at 7½ cents were taken down. The agreement expired Jan. 7, 1948. By Jan. 7, 1948, agreement Howard C. Hogg optioned 1.4 million shares, 100,000 at 7½; 300,000 at 8; 200,000 each at 10½, 13; 100,000 each at 23, 28, 48, 73 and 98 cents.

INVESTMENTS THIS WEEK

Investors Ask More Detail On Inventories' Positions

With the current stress on prices because of the Canadian price probe and recent action in U. S. commodity markets, investors are watching the inventory positions, as revealed by annual reports, more closely than usual.

One of the most striking—but disturbing—results of the rise in prices has been the increase in dollar value of inventories. This, of course, has been accelerated by the increased rate of production after conversion to peacetime activities. Another unsettling result is the inflation of companies' earnings by inventory profits.

But shareholders are not getting much help from most annual reports. Information is not usually available regarding:

1. Method used in charging inventories to costs.
2. Valuation of inventories in annual reports.
3. Amount of the inventory reserve.
4. Value of the inventory in relation to its current market value.
5. Size of the inventory in relation to needs.
6. Composition of an inventory as between raw materials, goods-in-process and finished goods.
7. Amount of inventory profit included in net profit.

Too often Canadian companies show inventories "at cost or market, whichever is lower" and give no indication of what the market value might be. Further, the dollar amount of any inventory reserve is not always stated, although this information is given more often than some of the other points.

Inventory profits taken in 1947 will inflate last year's net profit but are really in the nature of a "non-recurring" profit and may possibly be offset by inventory losses in future years. Shareholders would be more able to evaluate their investment where they knew how important this factor was.

Three recent reports show:

Goodyear Tire & Rubber Co. of Canada, with inventories up 36.5% in the year to $9.9 millions, states "inventories on hand and forward commitments are in a satisfactory position in relation to prices current at the year end."

Western Grocers Ltd., which showed over a 50% increase in the dollar value of its inventory in 1946, reduced it 14.7% in 1947. It stated "much of the increase" in sales was from higher commodity prices (but does not say how much) and that stock in trade was "low in relation to sales." It sets up a reserve for "possible future deflation in merchandise inventory values."

Simpsons Ltd., following a 50% increase in dollar value of its inventories in 1946, shows an increase of over 10% in 1947 but makes no comment.

No doubt company executives are watching their inventory situation carefully and are more than usually familiar with production and price trends affecting inventories. In reporting to shareholders they might make special comment on inventories. Certainly shareholders are looking for guidance on this point.

• • •

Fraser Cos. Shareholders "Force" Dividend Increase

Improved earnings in 1947 by Fraser Co. and Price Bros. were reflected last week when both companies declared increased dividend payments.

Price Bros. declared a dividend of $4 on the common payable May 1, an increase of $1 a share from 1947. It is said that investors would still like to see this company put its dividend on a regular paying basis. Unofficial estimates put this company's 1947 net profit as high as $12 per common share.

Fraser Cos. increased its regular quarterly dividend payment from 50 cents to 75 cents and declared an extra of 50 cents, payable April 26. It is understood a group of shareholders met the company directors last week and discussed the question of dividends. Prior to this it had been rumored that a shareholders' committee would be formed to press for an increased dividend. Since the meeting and the increased dividend declaration, it is believed that any differences between the management and the shareholder group has been ironed out. One informant told The Financial Post that in addition to the increased dividend, directors had agreed to "certain other conditions" asked by the shareholder group,

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Annual Reports

While stockholders are primarily interested in dividends and earnings, the average stockholder wants in addition information on a wide variety of subjects having to do with the operation and future prospects of the companies in which he is financially interested. He is interested in research activities, in plant expansion and its effect on earnings, in company products, in the tax situation, in the inventory position and in labor relations, etc. By giving full information, the modern annual report does not stir up trouble as some executives seem to think. It often forestalls trouble.

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Brandram-Henderson Ltd. notes that the company's net profit amounts to only 3¾c out of every sales dollar in 1947.

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Barber-Ellis of Canada, Ltd. annual report does not contain any comments by directors.

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Western Grocers' Subsidiaries More Profitable in 1947?

Western Grocers Ltd. annual report does not cover operations of its subsidiaries in which it has an investment of $1,450,087. But from the facts available and from auditors' statement it is shown that income from investment in subsidiaries was higher in 1947. Dividends from subsidiaries in 1947 were equal to 14.3% of the investments at cost (9.10% in 1946).

As only the dividends from subsidiaries are shown, there is no indication of exactly how profitable they are. However, the auditors state that in the case of two subsidiaries the dividends were in excess of the profits, after deducting a reserve for inventory deflation; that one subsidiary showed a loss but that in the aggregate the dividends from subsidiaries were less than the combined profits of such subsidiaries.

President Riley states that "Our organization had, by the purchase of shares, acquired working control of Blue Ribbon Corp." shareholders are wondering just how that was financed. Apparently it was done by the subsidiaries. Western Grocers Ltd. annual report shows its investments in subsidiary companies at cost at $1,450,087—exactly the same figure as a year earlier.

Company's net profit of $710,225, before an appropriation to special reserve for inventory deflation of $509,540 is the highest since 1926 (the earliest year for which figures are available) and 16% above the 1946 figure. It is equivalent to earnings of $5.67 a common share. Western Grocers common is currently selling around $33 a share or about 5.8 times its last year's earnings.

• • •

Say Protective Clauses Usual in Underwritings

While the recent withdrawal by the underwriting managers—Otis & Co.—of a public offering of 900,000 common shares of Kaiser-Fraser Corp. and its alleged "repudiation" of its purchasing contract has attracted wide attention, Canadian investment firms point out that underwriting agreements usually contain some protective clauses.

These clauses vary according to the individual agreement but generally provide that the agreement is subject to cancellation at any time prior to a specific date by the underwriter in the event of changes in general or market conditions which in the opinion of the underwriter would make impracticable, the successful marketing of the issue. Some agreements tie this to a definite percentage movement in a market average. Others contain clauses protecting them against labor disturbances or any other action which might affect a company adversely.

Actual facts with regard to the Kaiser-Frazer deal will be available when the present court action against Otis & Co. is heard and should also be available from the investigations of the U. S. Securities & Exchange Commission and of the National Association of Security Dealers into the transaction.

• • •

Shareholders of Orange Crush Ltd. of record Feb. 26 will have the right to subscribe for one additional share at $8 for each two held. Rights will expire on Mar. 22 and stock will sell ex rights on the Toronto Stock Exchange Feb. 25. The stock is currently trading around $7½.

Shareholders will shortly receive a letter from the company regarding this offer, it is stated.

A CHARTERED ACCOUNTANT WILL BE AVAILABLE

A chartered accountant, in early thirties, with good experience in professional accounting and presently engaged in a senior capacity with a well-known firm of chartered accountants in Toronto desires to discontinue professional practice in late spring. Would consider appointment, preferably in Canada, as executive in a small or medium sized company or as assistant to a senior executive of a large company.

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An Executive Secretary for the newly formed Canadian Arthritis and Rheumatism Society with headquarters in Ottawa. The position requires demonstrated experience in organization work on a national scale, proven executive ability, a keen understanding of public relations and preferably some experience in a related field of health work. The Society is prepared to pay a salary commensurate with qualifications.

Written applications will be received up to March 15th, stating age, education, experience, references, salary required, and any other particulars which will assist in determining the applicant's qualifications for the position.

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Consolidated And Price Bros. Boost Newsprint

MONTREAL, (staff) — Announcement this week by Price Bros. and Consolidated Paper Co. that their price of newsprint will go up $6 a ton effective March 1 virtually completes the round of price increases started at the first of the year. With the large Canadian companies now selling newsprint at $96 a ton, New York, the price differential which brought forth considerable protest from some U. S. publishers is now largely eliminated, it is pointed out.

Boost In Price Of Beer Hinted

"There is every indication at this moment that the demand for brewery products in Canada will be such that your plants will continue to operate at a very high percentage of the increased capacity," E. P. Taylor, Chairman of the Board of Canadian Breweries Ltd., told shareholders at the annual meeting last week.

The situation in the United States is at the moment somewhat obscure and complicated and may remain so for a few months due to price adjustment, changes of fashion in respect to packaging and inventory adjustments resulting from general over-stocking by distributors and dealers, Mr. Taylor added. He expressed confidence that the U. S. subsidiary would prove to be an even more valuable asset in the future than in the past.

Canadian Breweries is very close to the end of its building program and within a very few weeks will have the full benefit of the final enlarged capacity, he stated.

Pointing out that the brewing industry has maintained "what is virtually a pre-war price level (a price level which in effect is below prewar as the full impact of federal excise taxes has not been pased on to the public) solely by reason of the increase in demand for its products with resulting operations at or near capacity and with a considerable flattening out of the normal seasonal consumption curve," Mr. Taylor stated, "It cannot be expected, however, that further increases in commodity prices and the prices of services entering into the cost of brewing in 1948 can continue to be offset by increased production."

'Since 1939 costs have risen as follows: malt 120%; hops 119%; cartons 51%; coal 87%; wages 100%; federal excise taxes 166%," Mr. Taylor pointed out. A portion of these increases, and in the case of malt the major portion of the increase, has occurred since the close of fiscal year under review and are therefore only now being fully reflected in manufacturing and operating costs," he added.

Can. Government Sells $325 Million 1½% Bds.

The sale of $325 millions Dominion of Canada 1½% bonds, to be dated March 1, 1948, and mature March 1, 1950, to the Bank of Canada and the chartered banks was announced by Finance Minister Abbott. The price received by the Government was 100.30 to cost about 1.35% per annum.

Proceeds, together with some $185 millions cash, will be used to retire short-term bonds of the Second and Sixth Victory Loans which mature March 1. These are the 2¼% issue of the second loan amounting to $269,879,000 and the 1¾% of the sixth loan amounting to $239,713,000.

New Committee to 'Protect' St. Lawrence Stockholders

Await Corporation's Next Move, After Court Veto of Reorganization – May Press Paper Mills Plan

MONTREAL (Staff) — Following up a Quebec court decision tossing out the reorganization plans of St. Lawrence Corp., a new and different Protective Committee of class A preferred stockholders has been formed, headed by Joseph Mayr, New York. In a letter to class A stockholders, the Committee states that it is deemed essential that the preferred shareholders act together for their mutual interest, should the company take further proceedings or propose another arrangement.

Up to early this week, St. Lawrence Corp. management had not indicated what its next move would be. It is understood directors and solicitors are still at work on the problem. Biggest question mark is: What will happen to the St. Lawrence Paper Mills plan, approved by preferred and common shareholders last December? It is understood the plan was given court approval along with the corporation plan. In the case of St. Lawrence Corp., however, the original court approval was refused and replaced by the disapproval when the plan was contested by Mr. Mayr.

The Corporation plan was to become effective only if the Paper Mills plan was approved. This condition was not placed on the Paper Mills plan: i.e., there was no provision which required that the corporation plan be approved before the Paper Mills plan became effective. Presumably, then, the Paper Mills plan can be implemented if St. Lawrence Paper Mills obtains letters patent for its new capitalization.

Two Plans Tied Together?

Some legal opinion is believed to hold, however, that the two plans stand or fall together. This opinion, it is understood, rests on legal technicalities arising from the court's disapproval of the corporation plan. Thus it appears that the question is: will St. Lawrence Paper Mills implement its plan, which has already been approved?

If the Paper Mills plan is shelved, the chances of St. Lawrence Corp. class A preferred shareholders receiving dividends or payment on arrears, are more remote, it is believed. Such action would put the corporation and its subsidiaries in the same position as it was before any reorganization plans were brought forward. Without a reorganization of the Paper Mills, which permits its earnings to flow into St. Lawrence Corp. the only income available to the corporation is dividend payments from Brompton. At the present rate this amounts to approximately $300,000 a year.

"Reasonable Compensation"

It is likely that these are some of the legal tangles on which the newly formed Protective Committee will keep its eye. In its letter to shareholders, the Committee states that its counsel and agents expect reasonable compensation for their services and reimbursement for their expenses from any allowances which may be made by any court or other body whose jurisdiction may be invoked, or other appropriate sources, What the "other appropriate sources" may be, is not stated.

The letter states that members of the Committee have no other interest in St. Lawrence Corp. other than as preferred shareholders. The Committee states it will:

1. Act solely on behalf of the preferred shareholders.
2. Try to negotiate with the corporation for payment of dividends and arrears of dividends.
3. Take all appropriate action to obtain equitable treatment for the existing preferred shares on any arrangement, recapitalization or reorganization proposed.
4. Participate and keep shareholders fully informed concerning the pending proceedings in the Canadian courts, and other action of the committee.

Shareholders were asked to sign an authorization form which would enable the Committee to act on their behalf. Members of the Committee named in the letter are: Joseph Mayr, New York; Edward G. McLaughlin, secretary, New York; Russell B. Corey, New York; J. Herbert Chretien, managing director Sun Trust, Montreal; Ernest Pitt, real estate broker, Montreal. The firms of Hyde & Ahearn, Montreal, and Kaufman, Gallop, Climenko Gould & Lynton of New York, will act as counsel, it is stated.

Jamaica Pub. Serv. Plans Increase In Capital Stock

MONTREAL (Staff) — Shareholders of Jamaica Public Service Co. will be asked to approve an increase in the capitalization from $4 millions to $6.5 millions at a special meeting on Feb. 27, 1948. According to an announcement the company proposes to issue a further 205,479 shares of 5% cumulative preference "D" shares," par value £1, and 300,000 common shares, par $5. In addition shareholders will be asked to pass an amendment providing for the exchange of the 7% cumulative preferred stock for ordinary shares.

Purpose of the proposed increase in the 5% "D" preferred is to enable the company to obtain funds for construction and improvements to the property and to repay temporary bank loans which have been required for construction and improvements. Purpose of the increase in ordinary stock is to make available for issue from time to time additional shares without further action on the shareholders.

Waterous to Show $1.80 on Common

Waterous Ltd., Brantford, Ont. will show net earnings available for shareholders of $248,152 in the annual statement for the year ended Dec. 31, 1947, President A. B. Vasey states. Earnings are equal to $1.80 a share on the outstanding 37,950 Class A convertible preferred shares and 99,475 common shares or to $2.19 a common share after preferred dividend requirement.

Net operating profits provide $64,983 for depreciation and $214,356 for income and excess profits taxes as well as $111,807 for employees' profit-sharing funds, he states.

Net working capital was increased to $834,926 from $383,942. Net additions to fixed assets amounted to $158,895, consisting largely of improved operating equipment and also additions and improvements to the company's Edmonton Branch and new office in Calgary.

AUBELLE MINES advises that Winslow Agency has taken down and paid for firm commitment of 50,000 shares at 10 cents per share. Issued capital is 3,850,000 shares.

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Highest or any tender not necessarily accepted.

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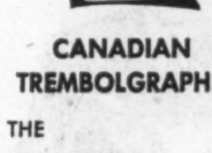

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PULP AND PAPER

January Newsprint Output Again Shows an Increase

Canadian newsprint production in January totalled 371,637 tons, an increase of 1,637 tons, or .4% over the same month a year before. January, 1947, production was up 41,584 tons, or about 12% above Jan., 1946. This slowing down in the rate of increase was to be expected since 1946 was largely a rehabilitation year and production facilities brought into operation then were bound to result in a big increase in production in the following year.

Canadian mills, however, operated at only 98.6% of rated capacity in January, 1948, compared to 101.1% in the same month in 1947. Annual capacity of the industry for 1948 is rated by the Newsprint Association of Canada at 4,477,700 tons on the basis of 309 working days. Since there are 310 working days in 1948, rated capacity would be 4,492,191 tons; 142,491 tons greater than rated capacity in 1947 and 45,402 tons greater than actual 1947 production.

While Canadian production showed a small increase in January, Newfoundland output, with 28,198 tons, was down 12.4%; and United States production, at 65,094 tons, was 5.2% less than a year ago. This resulted in a decrease of 5,912 tons in the total production from the three North American countries.

This slight decline in over-all production does not appear to have affected the supply position. Apparent total of North American stocks at 649,409 tons represents an increase of 40,484 over December, 1947. Also, shipments from North American mills to United States were slightly higher than total U. S. consumption for the month. This is reflected in the report of the American Newspaper Publishers Association, which stated that reporting newspapers had 41 days' supply on hand; an increase of five days' supply over December stocks. This stock compares with 36 days in 1947, 39 days in 1946 and 54 days in 1945. This improvement in inventory position is largely due to U. S. imports of newsprint from Europe (128,936 tons in 1947, against 13,480 in 1946).

• • •

Here are some item by item forecasts made by the American Paper and Pulp Association with respect to supply-demand position in 1948:

Groundwood papers — Demand expected to equal ability of mills to supply but pressure of excessive and abnormal demand largely missing.

Book paper — Present high rate of operations should continue for some time, if adequate supplies of raw materials are available.

Fine paper — There is now an apparent balance between supply and demand for rag content papers but demand for sulphite writing grades continues strong. Further increase in production may bring about a balance in supply-demand of sulphite grades later in 1948.

Kraft paper — Strength of demand indicates that increased production will be absorbed without satisfying the demand during 1948, even should there be some recession in general business in the second half of 1948.

Sulphite papers — Prospects for 1948 good, and full production is expected.

Glassine and greaseproof papers —Same as sulphite papers.

Tissue papers — This division closed 1947 with a high backlog of orders and low inventories at the mills. Growing demand and increased production is expected in 1948.

Specialty paper and boards — Some items which fell off rather badly in the last half of 1947 may recover, and will tend to strengthen the over-all output.

P. & M. EXPLORATION & MINING CO. CANADA advises that by Jan. 28 agreement, Paul T. Mulliete & Co. received an option on 400,000 shares, being two lots of 100,000 at 25 cents a share and two lots of 100,000 at 50 cents, payable at various dates up to 12 months after acceptance date. Authorized capital, two million shares; issued, 513,338 shares.

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THE FINANCIAL POST, TORONTO

MANAGED INVESTMENT

Simpsons, Gypsum, Canners Bought For Compton Fund

Compton switches out of York Knitting "B" and a $200 Dom. of Canada bond into Simpson's "A," Canadian Canners and Gypsum, Lime & Alabastine. After the deals, the expected annual income has been increased to a new high of $685.45 per annum. In the opinion that the market is becoming increasingly vulnerable, Compton's adviser now feels that a substantial proportion of one's "paper profits" might well be converted into cash.

The Compton Fund Transactions

PURCHASES

No. of Shares	Security	Cost per sh.	Amount
5	Simpsons A........	26	$258
5	"	25	
5	Can. Canners (c.)	19¼	191.50
5	"	18½	
10	Gypsum Lime (c.)	13¾	139.50
			$588.75

SALES

No. of Shares	Security	Cost per sh.	Amount
100	York Knitting B..	4¼	415.00
$200	Dom. of Can. 3% 1962	101⅞	*203.98

*Includes accrued interest amounting to $0.23.

Compton's Manager Says:

After the above switch Mr. Compton's expected annual income has been increased (after year-end adjustments) to a new high of $685.45 per annum. During 1947 Teck-Hughes paid total dividends amounting to 15c per share, and Kerr Addison Gold Mines paid 18c per share. Mr. Compton's current expected annual income is based on the adjusted dividend rates.

On the sale of 100 shares of York Knitting Mills "B" common stock. Mr. Compton realized a net profit in cash of 32% on the book cost of the securities held. It should be pointed out that the sale of any given stock now held, or to be held, in Mr. Compton's account must not be construed as a reflection on the part of his adviser, upon the company concerned. Since the stock market is becoming increasingly vulnerable, Mr. Compton's adviser now feels that a substantial proportion of one's "paper profits" might well, from time to time, be converted into cash.

The present and future purchases, at prices scaled downward, of Canadian Canners, Simpson's Ltd., and Gypsum, Lime and Alabastine, are part of a new program, aimed at acquiring a number of Canadian stocks over a period of time. For the period from Jan. 16 to Feb. 15, Mr. Compton received income amounting to $38. At the same time the regular monthly $25 living allowance was withdrawn: the balance, $13, has been transferred to his cash account which, on Feb. 15, showed a net cash balance of $80.75.

As between December 15, 1944, when Mr. Compton's account was taken over and Feb. 21, 1948, the following are the broad changes in the position.

	Dec. 15/44	Feb. 21/48
	—Principal Sum—	
Bonds	....	$2,669.42
Preferred stocks ..	$925.00	4,767.50
Common stocks ...	6,661.25	4,263.45
Mining stocks	1,750.00	1,413.50
Cash	663.75	80.73
	$10,000.00	$13,194.60

The Compton Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
10	Can. & Dom. Sugar ..	22	15¾
20	Can. Canners	19⅞	18
10	Can. Pacific Rlwy.	13¼	14⅝
20	Consol. Litho.	17¼	20
5	Consol. Smelters	85	92
5	Goodyear	95½	101
15	John Labatt	20	24
35	Montreal Locomotive .	18	14¾
140	York Knit. Mills B ..	3⅛	3¾
15	Walkers	26⅞	25⅛
10	Gypsum, Lime	14	14
5	Nat. Steel Car	20¾	20
10	Simpsons A	25¾	25¼
	Preferred Stocks		
35	Abitibi, $1.50 pfd.	20¾	18¾
30	Can. Wire Box, A	23¾	24
25	E. B. Eddy Co., $1	22	18¼
25	Riverside Silk, A	32½	30
30	D. Stuart Oil	16¼	18
50	McCabe Grain, A	11	9
120	York Knit. Mills A ...	7¾	7¾
	Mining Stocks		
100	Teck-Hughes	3.90	3.15
5	McIntyre	64½	59½
15	Kerr-Addison	16¼	13¼
10	Hudson Bay	45¾	44¾
	Bonds		
$1,100	Can., 3% 1957/60	100½	101⅞
$1,500	Can., 3% 1959/62	100.98	102
	Cash		$80.73
	Curr. Market Value of Fund ...		$12,791.36
	Average Yield on Original $10,000		6.85%

*Bid price on Feb. 14, 1948.

The Financial Post asumes no responsibility for the specific buy and sell recommendation reported here. The changes and reasons for them are made entirely on the responsibility of two investment managers who have undertaken management of two hypothetical investment funds, the operations of which are reported for readers of The Financial Post.

The buying and selling of an individual security for one of these funds does not and should not be interpreted as indicating the wisdom of any individual taking similar action. What is wise for one individual in certain economic circumstances and with a certain list of securities may be entirely unwise for another individual.

Purpose of this continuing feature is to illustrate by actual example, the principles of sound investing based on experience, knowledge and constant attention.

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& COMPANY, LIMITED

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35

F. N. WIGGINS

has been appointed general manager of Canadian National Express, of which he was formerly general superintendent.

Ballantyne Co. Pref. Offered

Public participation in a recently formed company, R. M. Ballantyne Co., Stratford, Ont., is invited with the offering of 6,000 5% cumulative redeemable preference shares, par $50 by Isard, Robertson, & Co., London, Ont. Offering price is $50 a share to yield 5% with a bonus of one common share with each two preferred shares.

R. M. Ballantyne Co. was incorporated Dec. 17, 1947 to acquire R. M. Ballantyne Ltd., manufacturers of and dealers in knitted goods of every description. The purchase price of $253,000 cash plus an amount equal to the liability of R. M. Ballantyne Ltd. for income tax for 1947 together with 10,000 common shares of the new company at a valuation of 15c a share.

Vendor of the property is the Ballantyne Syndicate. Its members are: Dr. J. R. Armstrong, T. A. Browne, V. P. Cronyn (5.55%) J. D. Hay (5.55%) C. E. Isard (24.99%) W. H. McPhillips (5.55%) W. B. Norton (5.55%) R. W. Robertson (24.99%) E. D. Smith (5.55%) and J. V. Watson. (The interest of the individuals who are also directors of the new company in the Ballantyne Syndicate is shown in brackets after their names.)

Capitalization, on completion of the present financing, will consist of $500,000 authorized, $300,000 issued preference shares, par $50, and 100,000 authorized, 50,000 issued, no par value common shares. Isard, Robertson & Co. has contracted to purchase 5,500 preference shares and 4,000 common shares and have an option to purchase an additional 500 preference shares.

Net earnings available for preferred and common dividends (including estimated refundable EPT) averaged $13,306 a year for the 10 years ended Dec. 31, 1947. Deficits were shown in 1938 and 1939. Net earnings were $46,519 in 1947. The annual dividend requirement of the 6,000 preferred shares is $15,000.

Fixed assets are carried on the balance sheet at $140,344 at Dec. 31, 1947. Net working capital was $110,891.

Directors are V. P. Cronyn, president; G. K. Stanley and F. C. Walker, vice-presidents; R. W. Robertson, secretary-treasurer; J. B. Hay, C. E. Isard, W. H. McPhillips, W. B. Norton, E. D. Smith.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted

SOVEREIGN LIFE ASSURANCE CO. shows insurance in force on Dec. 31 at $79.5 millions, a gain of almost $8.5 millions or over 11%. New insurance issued in 1947 was $14.1 millions, about $1 million less than in 1946 but was the second largest volume ever written by the company. The increase in insurance in force was attributed in part to the favorable terminations experience which the report says has been exceptionally low, reflecting the general high level of industrial activity and national income. The 1947 rate shows a slight increase from the year before.

In addition to the regular life insurance business of the company there were 201 annuity contracts outstanding requiring annual payments to annuitants of $69,506. Total receipts were $3,051,119 ($3,054,996 in 1946).

Payments to policyholders, including death claims, matured endowments, annuity payments surrender values, dividends and deposits withdrawn were $839,982 ($796,089 in 1946). General expenses were up, reflecting the higher level of prices and costs of all descriptions.

In the investment portfolio there was a moderate decrease in the holdings of government bonds. Mortgages and sale agreements were a higher percentage of the total.

Important items in the statement follow.

	1947 $	1946 $
Insurance in force ..	79,531,920	71,059,540
New insurance	14,148,073	15,273,632
Total income	3,051,120	3,054,996
Policy payments	698,163	652,235
Deposits withdrawn .	141,820	143,854
Inc. in pol. reserves ..	1,297,280	1,238,331
Expenses	757,163	706,140
Sh'holders divds.	12,600	10,500
Other payts.	30,585	127,283
Liabs. to pol'holders inc. actuarial res. ..	14,031,374	12,695,293
Other liabs.	74,249	91,427
Prov. for pol. divds. ..	171,090	155,476
Sp. reserves	535,000	522,024
Liabs. to sh'holders ..	224,471	223,571
Free surplus	371,818	293,615
Total assets	15,408,003	13,982,407
Int. earned	4.10%	4.31%

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VALUATIONS

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Barcelona Trac. To Challenge Spanish Court

News out of Spain complicates the recent bankruptcy proceedings against Barcelona Traction, Light & Power Co. even further. When a judge in the Spanish town of Reus without any warning declared the company bankrupt and ordered top officials in the Spanish operating subsidiaries dismissed, directing a receiver to take over operation of the companies, it was thought the two Spanish subsidiaries were included in the bankruptcy finding. Now it is learned that the bankruptcy finding had been just against the parent company in Canada and that direction of the Spanish subsidiaries has been taken over because they were the assets of the parent company available in Spain. The parent company does not maintain an office in Spain.

Legal action or diplomatic pressure are the two moves open to the parent company now in protecting its interests in Spain. In commenting editorially on the situation The Financial Times (London, Eng.) claimed "never was a clearer case morally or financially for immediate intervention on the highest level."

It has been understood that Juan March, powerful Spanish financier and a substantial bondholder in the company has been actively interested in the company and its persistently unsuccessful attempts to work out some satisfactory plan for paying substantial interest and sinking fund charges on about £4,250,000 of outstanding bonds. It is thought in some quarters that March might have been the motivating power behind the recent unorthodox bankruptcy proceedings.

The company claims the bankruptcy move unwarranted particularly since earnings of the operating subsidiaries in Spain are more than adequate to meet all arrears and current interest charges of the parent company. Failure to pay these charges is due only to the fact that the Spanish Government refuses to permit pesetas to be exchanged into sterling to meet obligations in that currency. In 1945, a Plan of Compromise was proposed by the company and approved by the bondholders and the appropriate Canadian court, which would have provided sterling sources to wipe out the company's foreign indebtedness. The Spanish Government would not give authorization necessary to permit this plan.

A large percentage of the outstanding bonds and shares are held in Belgium, England, Switzerland and United States. National Trust Co., Toronto, is the trustee for the bondholders.

Recently the company completed and placed in operation two new power developments in Spain; one at Viella in 1947 and the huge Flix plant on the Ebro River in January of this year. These new plants have increased the production capacity of company's installations by more than 20%, it is stated.

Interest arrears on the company's outstanding bonds from June 1936 to Dec. 31, 1946 amounted to $9,501,755.

$3.72 a Share On Brazilian

Brazilian Traction, Light & Power Co. 1947 net earnings (subject to final audit) were equal to $3.72 a common share compared with $3.28 for 1946. A 231% increase in December, 1947, earnings over the same month 1946 was an important factor in the 13.5% increased earnings for the entire year. A nonrecurring year-end expenditure in Dec., 1946 was largely responsible for the better showing this December.

Aggregate net revenue for 1947 amounted to $26,229,657 as compared with $23,101,481 for 1946. Gross operating earnings for Dec., 1947, were $7,968,527 ($7,252,328).

Dec.:	1947	1946	Incr.
Gross earns. .	$7,968,527	$7,252,328	9.8%
Oper. exps. ..	5,475,089	6,499,362	*15.7
	2,493,438	752,966	231.1
Twelve Months:			
Net earns. ..	26,229,657	23,101,481	13.5

*Decrease.

All figures are subject to final adjustment when annual accounts are made up.

Fire Prevention Groups To Meet at Saint John

The Dominion Fire Prevention Association and the Association of Canadian Fire Marshals will hold their annual meetings at the Admiral Beatty Hotel in Saint John, N.B., from May 17 to 21. President of the Dominion Fire Prevention Association is A. H. S. Stead, Dominion Board of Insurance Underwriters, Montreal. President of the Association of Canadian Fire Marshals is J. E. Ritchie, Deputy Fire Marshal for Ontario.

Fleet Gets Order For New Windows

Fleet Manufacturing Ltd. has received a large firm order for its new Fleetlite aluminum window from a substantial corporation engaged in the development of housing projects, President George D. Clarke, states. The initial order is for 22,000 windows. A further order of a similar type is now pending and should be closed before the end of the month, it is stated.

Fleet's window division now has business on its books with a sales value in excess of $500,000. Further contracts are being negotiated which would represent full capacity operations through the entire current year. The Fleetlite window is a new type low-cost aluminum window of advanced design, which was engineered and will be manufactured and distributed throughout the Dominion by Fleet.

A special meeting of shareholders on Jan. 31 approved creation and sale of $500,000 5% debentures and an increase in authorized capital from 500,000 to 750,000 shares, no par value. The debentures have not been offered yet.

Mar. Dividends $40 Millions

Dividends payable in March (as declared to Feb. 20) amount to $40,205,202 as against $41,743,192 for the same month last year. Indicated payment for first three months of the current year are $106,339,435—up 23% from the corresponding period of last year.

March payments of $24,929,329 by 102 industrial stocks represent a decline of $2,199,172 from the amount paid by 123 issues last March. Payment by 12 mining companies of $12,962,621 was up from the $11,748,055 payment by 15 concerns last March, the increased dividend payment by Hudson Bay Mining & Smelting Co. being largely responsible for higher disbursement. Nine financial institutions will pay $1,799,236, against $1,883,120 paid by 11 companies last March.

Following is a list of payments for March, 1948, as compiled by The Financial Post from records available.

Monthly Dividends

	1948 $	1947 $
January	52,238,358	33,874,733
February	12,895,875	10,806,365
March	40,205,202	41,743,192
Total	106,339,435	86,424,290

Industrials and Utilities

Company:	Rate	Date	Amount
Acadia-Atla., 5% pf. ..	1.25q	15	37,500
Agnew Surp., c.	.12q	1	48,353
Aluminum 4% pref. ..	.25q	1	150,000
Aluminium	2.00q	5	1,488,820
Anglo-Can. Tel., A ...	.15q	1	73,065
Argus	.15q	1	127,500
Do., 4% pfd.	1.12½q	1	45,000
Auto Electric	.10	15	10,000
Do., A	.12½q	15	3,750
Bathurst Pwr. & P. ...	.37½q	1	150,000
Barber-Ellis	.25q+.12½▴	15	16,500
Borden Co.	†.60	1	2,400
B. C. Packers, A	.37½s	15	105,959
Do., B	.13	15	36,732
Bruck Silk Mills	.30q	15	37,500
Burrard D. D., A	.11	15	27,500
Canada Cement, pfd.	.32½q	20	326,412
Can. Foundries, A	.37½q	15	14,097
Can. Wire & C., A	1.00q	15	29,668
Do., B	.25	15	37,666
Canada Vinegars	.15q	1	13,800
Can. & Dom. Sugar ...	.20q	1	300,000
Can. Safeway 4½% pf.	1.12½q	1	22,500
Canada Malting	.50q	15	99,486
Can. W. Nat. Gas 4% pf.	.20q	1	6,016
Can. Pac. Rlwy., c.	.75q	31	10,050,000
Can. Fairbanks	.25q	1	20,000
Can. Locomo. .	1.00a+1.50▴	1	398,991
Can. Tire	.25	1	25,000
Chatco Steel 5% pref. ..	.25s	1	4,488
Cons. Theatres, A	‡.13	1	9,555
Cooksville, A	‡.15q	1	13,350
Corr. Paper Box	.25q	1	11,750
Do., pfd.	1.25q	1	11,163
Davis Leather, A	.37½q	1	37,500
Do., B	.17½	1	27,352
Dist.-Seagram	.15q	15	1,315,402
Dominion Stores	.37½	16	115,880
Donahue Bros.	.25q	1	37,500
Eddy Paper, A	.25q	15	50,000
Electrolux	†.40	15	495,000
Eastern Steel	.15q	1	8,700
Fanny Farmer	†.37½q	31	133,057
Federal Grain	5.00	1	150,000
Gair of Can. 4% pfd. ..	1.00q	1	15,000
Gt. Lakes Paper	.40	1	160,000
Grafton, A	.25q	15	9,030
Gordon Mackay, A ..	.12½q	15	25,200
Do., B	.12½+.12½▴	15	50,400
Gypsum, Lime	.25q	1	110,011
Hamilton Cotton	.22½q	1	18,000
Imp. Tobacco ord.	.10q+.20▴	31	2,835,309
Do., pref.	3%s	31	240,900
Imperial Varnish	.20q	1	10,723
Do., pref.	.37½q	1	4,029
Inter. Paper	†.75q	30	1,376,890
Do./4% pref.	†1.00q	30	400,000
Inter. Utilities, c.	†.22½q	1	177,021
Ingram & Bell	6.00a	15	31,008
Kelvinator	.37½q	20	37,500
Lake of W. Milling	.40q	1	56,076
Do., pref.	1.75q	1	26,205
Laura Secord	.20q	1	57,500
Loblaw Groc., A & B .	.25q	1	207,089
Molson's Brew.	.25q	25	187,500
Montreal Cottons	.13	15	42,900
Do., pref.	.44q	15	52,800
Nat. Drug & Chem. ..	.12½q	1	31,298
Do., pref.	.15q	1	36,728
N. S. Lt. & Pwr. 4% pf.	1.00q	1	20,000
Do., 6% pfd.	1.50q	1	36,450
Ogilvie Flour, pfd. ..	1.75q	1	35,000
Paramount Pic.	†.50q	24	187,606
Paton Mfg.	.20q	15	10,000
Do., pfd.	.35q	15	10,500
Photo Engravers .	.75s+.75▴	1	45,000
Powell River	.40	1	537,878
Purity Flour	.25s	1	45,750
Regent Knit.	.25	1	16,252
Do., pfd.	.40q	1	6,400
Reliance Grain, 4% pf.	1.00q	15	15,000
Robinson, Little A ...	.25q	1	6,250
Rolland Paper, pfd. ..	1.06½q	15	18,062
Russell Ind.	.17½q	31	24,396
Do., 7% pref.	1.75q	31	31,265
Scythes & Co.	.19q	1	9,500
Do., pref.	.31½q	1	5,000
Silknit, pfd.	.50q	15	5,000
Simpsons, 4½% pfd. ..	1.12½q	15	12,600
H. Simon & Sons	.30q	1	90,114
Do., 5% pfd.	1.25q	1	4,625
Stand. Chem.	.10q	1	60,000
Do., 5% pfd.	1.25q	1	23,298
Taylor, P. & C., pfd. ..	.12½q	15	25,000
Toronto Elevator	.15	1	31,386
United Steel	.12½	30	58,678
Viceroy Mfg.	.12	15	12,000
Virginia Dare, 5% pf.	.31½q	1	5,000
Walker-Good. & W. ...	.37½	15	1,086,906
Geo. Weston, 4½% pf.	1.12½q	1	40,950
Westeel	.50▴	15	59,075
Woods Mfg.	.50q	31	55,254
Total			24,929,329
Mining Companies			
Aunor Gold	.05q	1	100,000
Belleterre Que. M.	.10	15	150,000
Hallnor Mines	.07	1	140,000
Hudson Bay Mines ...	1.00	8	2,757,973
Inter. Nickel	†.40q	20	5,833,610
Lake Shore	.18	15	360,000
McIntyre Porc.	.50½q	1	418,950
Noranda Mines	.75	15	1,679,829
Normetal	.05	31	187,850
Proprietary Mines	.03	5	27,585
Waite Amulet	.30	10	990,000
Young-Davidson	.02	15	316,824
Total			12,962,621
Oil Companies			
Home Oil	.25	10	440,000
Petrol Oil	.03	15	66,000
Stuart, D. A., pfd.	.20q	1	8,016
Total			514,016
Financial			
Bk. Can. Nationale	.20q	1	140,000
Bank of Montreal	.20q	1	720,000
Bank of Toronto	.30q	1	126,000
B. A. Bank Note	.25q	15	22,500
Can. Int. Inv. Tr., pf. ..	6.25	1	79,023
Confed. Life 30% pd. .	1.50q	15	15,000
Dom. & Anglo Inv., p.	1.25	1	15,902
Dom. Scot. Inv., pfd. ..	.50	1	24,561
Royal Bank	.25q	1	656,250
Total			1,799,236
Grand total			40,205,202

q Quarterly. s Semiannually. a Annually. †Payable in N. Y. funds. ‡Initial. ▴Extra.

T.S.E. Short Interest Up

The semimonthly short selling report of the Toronto Stock Exchange as of Feb. 14 shows the aggregate short positions, eliminating odd lots, on the books of members firms at 449,700 shares of 126 issues, compared with 430,750 shares of 13 issues on Jan. 30.

Largest changes of short positions in individual mining stocks were: Eldona 73,350 shares, up 43,050; Osiko 18,700 shares, down 14,900; Donalda 23,500 shares, up 7,200; Silver Miller 19,000, down 7,000; Kenville 16,500 shares, up 6,500; Pen-Rey 7,500 shares, up 6,500; Heva 17,000, up 6,400; Lapaska 10,000 shares, down 6,000 and Osulake 6,500 shares up 6,000.

Of the industrial stocks, short position in McColl Frontenac of 700 showing a decrease of 2,100 shares was the only major change.

Stock	Shares	Stock	Shares
Abitibi	600	Joliet Que.	1,000
" Pr.	200	Kenville	16,500
Amal. Larder	1,500	Kerr Addison	800
Anglo Cdn.	600	Kirk. Lake	100
Anglo Rouyn	2,000	Labrador	1,500
Armistice	1,000	Laguerre	5,000
Argus Corp.	1,275	Lake Wasa	500
Bear Explor.	6,000	Lamaque	100
Beaulieu	13,000	Lapaska	10,000
Bevcourt	3,000	Laura Secord	225
Brand & Mill.	600	Lingman L.	2,500
Brazilian	200	Little L. Lac	500
B. C. For. Pr.	1,700	Loblaw A	175
Br. Dom. Oil	1,000	" B	50
Brown Co.	400	Louvicourt	10,000
Buffadison	20,800	Lunward	1,000
Buffalo Ank.	4,400	MacDonald	15,600
Buffalo R. L.	1,000	MacL. Cock.	2,900
Calgary & Ed.	1,400	Madsen R. L.	100
Calmont	500	Magnet	3,000
Campb'l R. L.	200	Malartic G. F.	200
Can. Cement	350	Marcus	8,000
Cdn. Brew.	1,800	Massey-Harris	500
CPR	2,600	McColl-Front.	700
Cent. Patricia	900	McIntyre	50
Cent. Porc.	1,500	McMarmac	3,000
Chesterville	2,900	M. & O. Paper	800
Cochenour	500	Mylamaque	6,000
Colomac	500	Negus	11,700
Coniaurum	1,000	N. Norzone	5,500
Cons. Smelt.	25	Normetal	1,800
Detta R. L.	1,000	O'Brien	800
Diversified	25,900	Okalta	8,500
Dome	100	Osisko	18,700
Dom. Coal Pr.	125	Osulake	6,500
Dom. Fdry.	2,100	Page-Hersey	150
Dom. St'l B	1,200	Paymaster	1,500
Dom. Stores	100	Pen-Rey	7,500
Dom. Textile	200	Pickle Crow	400
Donalda	23,500	Porc. Pen.	500
Dulama	3,000	Quemont	625
East Malartic	3,000	Richmac	500
East Sullivan	1,000	Roxana	2,400
Eldona	73,350	St. Law. Corp.	300
Eureka	1,300	San Antonio	700
Falconbridge	100	Sherritt	1,600
Fam. Players	100	Silanco	1,500
Fleet Mfg.	1,900	Silver M'ler	19,000
Foothills	500	Simpsons A	25
Gen. Stl. Wrs.	200	" B	150
Giant Y. K.	300	Siscoe	500
Globe Oil	1,000	Springer Stur.	500
God's Lake	3,500	Std. Chemical	400
Golden Man.	1,700	Steep Rock	9,700
Guayana	1,000	United Fuel B	100
Gypsum, Lime	200	United Steel	525
Hasaga	500	Ventures	300
Heva	17,000	Walker G & W	250
Home Oil	4,600	Wekusko	1,000
Hosco	4,000	Wiltsey Cogh.	2,000
Imp. Oil	400	Winnipeg El.	500
Int. Nickel	150	Yellorex	3,000
Int. Paper	300		
Joburke	3,000	Total	449,700

COMPANY REPORTS

SARNIA BRIDGE CO. net profits in 1947 at $96,141 were about double the preceding year's. In spite of many problems still confronting the construction industry, and continued scarcity of raw materials, company entered 1948 with an unprecedented volume of unfilled orders on hand, President W. B. Norton states.

Capital assets increased $134,710, resulting from enlargement of company's Safway manufacturing facilities in Sarnia and cost of building a branch office and scaffold warehouse in Toronto. Expenditures were partially financed through sale of 4,000 treasury shares of capital stock, and balance out of earnings. It is felt acquisition of these assets will prove of great benefit, Mr. Norton adds.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$296,394	$128,086
Less: Deprec.	40,253	29,409
Conting. res.	25,000	......
Income tax res.	135,000	50,000
Net profit	96,141	48,677
Less: Dividends	36,650	14,350
Surplus for year	59,491	34,327
Earnings per Share and Dividend Record:		
Common:	$2.14	$1.19
Paid	0.70+0.15	†0.25+0.10

†Excl. 25c paid Mar. 15, 1946.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds. ...	$961	$62,957
Accts. rec.	208,458	147,814
Inventories	269,622	137,009
Total curr. assets ..	479,041	347,780
Def. charges▴	21,404	22,091
Fixed assets*	398,011	303,120
Total assets	898,456	672,991
Bank loan	7,135	66,173
Accts. & tax. pay. ...	233,393	80,911
Total curr. liab. ...	240,528	147,084
Conting. res.	25,000	.....
Capital stock	501,765	453,765
Surplus▴	131,163	72,151
*After depr. of	316,034	276,207
▴Incl. ref. EPT	17,524	17,524
Working capital	238,513	200,696

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$240,000

New Method Laundry Company
Limited

4½% First Mortgage 20-Year Serial Bonds

To be dated March 1st, 1948
Maturing $12,000 annually March 1st, 1949 to 1968 inclusive

Interest payable semi-annually, March 1st and September 1st. Principal and interest payable in lawful money of Canada at the principal office of the Company's Bankers in the City of Toronto.

Redeemable as a whole or in part at any time prior to maturity, on thirty days' notice at 101 and accrued interest. In case of partial redemption the serial bonds will be redeemed in order of their maturity.

Trustee: The Toronto General Trusts Corporation.

In the opinion of Counsel these bonds will be a legal investment for funds of insurance companies registered under the Canadian and British Insurance Companies' Act, 1932 (Dominion) as amended.

Price: 100 and accrued interest

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LIMITED
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The Editorial Page

You're Right, Mr. Gardiner

Speaking before the Empire Club in Toronto last week Agriculture Minister J. G. Gardiner said that Canada should aim at doubling her present population in the next 15 years. He urged far greater immigration from Europe, far greater efforts to hold our youth from drifting to the United States.

He stated:

> "Canada has done a remarkably good job of obtaining and retaining population during the first forty years of this century. She opened the century with 5,300,000 people, and after forty-five years has 12,000,000. The United States opened the last century with 5,300,000 and at the end of forty years had 17,000,000. But statistics show that countries similarly situated to Canada do advance their populations much more rapidly after reaching 10 or 12 million. In my opinion, we should set ourselves the task of increasing our population by at least 500,000 a year immediately with an objective of reaching a million a year inside ten years. We should be driving for double our present population in not less than 15 years.
>
> "There are two ways in which we can do this. The first is to make it possible for our Canadian born citizens to remain in Canada. The second is to bring others suitable to our climate and needs who can be assimilated with our own people into one common citizenship. The surplus populations are nearly all to be found in Britain and Europe."

Mr. Gardiner is right. But he should not be content by pushing this matter in public speeches across Canada. He should carry his crusade right into the Dominion Cabinet. It is the reluctance among his fellow ministers there that is the real bottleneck. True, some easing of immigration restrictions last year has helped increase the flow but it is still paltry in comparision with what might be developed or with our potential absorption.

Practically all of our basic industries are short of manpower. The average age of our producing farmers is close to sixty and there is an acute shortage of hired men for the farms in almost every province. Our lumbering, pulp wood and mining companies are handicapped for help and in many lines of construction there is the same complaint.

For months after the end of the war Ottawa argued that there was no ocean shipping available for substantial immigration. That situation must have been largely corrected by now and in any case the Ontario Government demonstrated last summer that boats are not the only means of transport if we really mean business.

The majority of Canadians are convinced that this country needs more population and that this is the time to get it. Literally hundreds of thousands of people in Europe are eager to come here. We have an opportunity now that may never be repeated in this century. If we do not bring these potential citizens to Canada, then Australia, South Africa or the South American countries will take the cream of them.

Only through massive immigration from Europe around the turn of the century was Canada able to open and develop a fringe of territory along the northern border of the United States. If we ever hope to continue that task, to push our frontier northward, we must have more people.

Why Not Uniformity?

Unless some action is taken quickly, the usual confusion over daylight saving will prevail throughout most of the country this summer. Certain municipalities will have summer time; others won't. Trains will probably stick to standard time but will set summer schedules ahead an hour.

There will be inconvenience for everyone and especially for the American tourist, whose spending is going to be so vital to our economy this year. These visitors, unfamiliar with the local rules, will never be certain when approaching a town whether they are an hour too soon or an hour too late to get a meal or do some shopping.

Only provincial or Dominion Government action can save us from this confusion. So long as the responsibility remains with the municipalities there can be no hope of uniformity. In British Columbia the provincial government has taken over the responsibility and on a certain date it proclaims daylight saving for a stated period. In Alberta similar legislation is being considered. If other provinces follow these examples we would at least have uniformity over large areas.

Relatively the arguments against daylight saving are unimpressive. Farmers are supposed to be opposed, but that feeling seems to have been greatly exaggerated. In the old days before anyone ever heard the term daylight saving, many farmers during the summer months actually set their clocks ahead and practically all of them made a regular practice of starting chores much earlier. The clock has nothing to do with the time the hay is ready to cut. Weather is the deciding factor.

On the other hand, adoption of summer time does give the average urban dweller an extra hour of daylight in the evening, which means more time out of doors, more opportunity to absorb sunshine and fresh air. By bringing his working hours more in line with the sun, there is an important saving in electric power, a factor that is just as vital today as it was during the war when daylight saving was compulsory throughout the whole country.

The Threat in Palestine

A little over two years ago, American public opinion was strongly opposed to British troops remaining in Greece. A few people realized the grave danger of hasty evacuation, but these were in the minority. Had it not been for the strong stand of Churchill and later British Foreign Secretary Bevin, the few thousand Tommies would have been withdrawn and certainly civil war if not Communism would have followed. Fortunately there came a quick and complete change in American public opinion and now Washington is opposed to any thought of British withdrawal.

In view of this recent experience one would think that there would be far more concern in the United States as the deadline approaches for British withdrawal in Palestine. In a little more than two months, according to the present schedule, the last British troops will be out and so far there is no evidence of any single and sufficient authority to take over. The situation is far more explosive than was that of Greece in 1945. War between Arabs and Jews seems inevitable and the threat to the vital Suez Canal and oil lines from the Near East, is of international concern.

It will be a miracle indeed if the factions in Palestine are able to solve their own problems and settle down in peace if the British pull out this spring. It is to be hoped that the democratic powers, and especially the United States, are not counting too much on that miracle but have other alternatives ready.

Tension in that area has already mounted to dangerous proportions. Neglect or delay at this critical period could have dangerous repercussions for the rest of the world.

Must Work Harder for Peace

"Tabun, the gas that drives men mad" is the title of the lead article in the current issue of United Nations' World.

> "If it is true that insanity is far worse than death, then the most terrible weapon developed during World War II is not the atomic bomb but a mysterious German gas developed late in the war known by the code names of 'Tabun' and 'Sarin'."

Describing this ghastly product of the chemical laboratories, the U. N. World points out that previous gases, like mustard, phosgene, lewisite and others were designed to attack the respiratory system, the skin, or both. They could either be seen, tasted, smelled or felt. Tabun and Sarin have no direct effect on the lungs or skin as such. They attack only the nerves. They are invisible, tasteless and odorless. Gas masks are no protection. Tabun seeps into the body through the pores of the skin, seeks out the nerves and infiltrates the brain.

> "The fresh air of whole cities could be contaminated in a single gas attack from planes camouflaged as commercial carriers. A secret agent could smuggle containers of these stealthy killers into railway stations, hospitals or places where the leaders of a nation meet—then release the invisible gas and escape before the attack is detected, leaving behind men condemned to death.
>
> "Long before those exposed to the gas are killed by it, they are made to suffer from its horrible effects.....gradually they go blind as the optic nerves become inhibited. Convulsion and cramps follow. Homicidal tendencies and other forms of aggressive mental illnesses develop as the gas degenerates the vital cells in frontal parts of the brain. With the invention of Tabun and Sarin, man...can first render mad those whom he intends to destroy."

To a generation which has twice been to war, one big danger is that too many people aren't sufficiently horrified at the prospect of another war; that there isn't nearly enough determination to prevent war and to make things like the United Nations work. Despite the two catastrophes of our lifetime and despite solemn but often glib hymns to the cause of peace, the view that war "might fix things," might serve some purpose, is dangerously common.

For those who feel that way, we commend the facts about Tabun, the gas that drives men mad.

Scientists have revealed some of the other things they now have for mass destruction—and the chief threat of the new gases is to the urban population. In a club bag, an enemy saboteur could now come to your town by any bus or train, scatter his little packages of gas or disease and be off before you knew there was a war on. And remember, in the armory of the enemy are killer diseases that medical science can do little or nothing about — and gases like Tabun and, of course, the atomic bomb.

Whaley-Eaton of Washington has just reported on an "authoritative study of the chances of civilian survival" in another war.

In previous wars, the civilian's survival expectancy was at least 99%. For wars after this, the report says, the "survival expectancy" of the civilian would be 30% dead, 60% seriously injured, relatively unhurt 10%.

In event of another war, the report adds, the relationship between soldiers and civilians will be reversed. In the past, the military job was to defend the masses of citizens, their communications, their instruments of life. In the future, the civilian will be the expendable. The soldier will have top priority on survival to ensure effective reprisal.

We don't think anybody is yet working hard enough to secure peace; nor is the concept of war as an instrument of national policy yet buried deep enough.

Critical Crop Weeks

Where the cost of living will stabilize this year largely depends upon the weather of the next few weeks and throughout June. During those two critical periods the cereal crops of the Northern Hemisphere will be made.

By the end of March the world should know what sort of a wheat harvest is shaping in Europe and the south and central United States. In these areas winter wheat is the prevailing type. It is sown in the autumn and the harvest largely depends on how it survives the freezing and thawing period of early spring before it starts to grow again. By the end of June or a week or two later the spring wheat crop of the Canadian northwest and the Northern U. S. prairie states, and the corn crop of the midwest, will have passed the guessing stage.

Good bumper crops in both areas will certainly send most food commodities substantially lower. Already generally favorable weather and good acreages in the winter wheat areas, (Europe and the South-central U. S.), have eased the upward pressure on commodity markets. If present hopes materialize, Europe will not have to import as much grain as in the last few years and not nearly as much as in 1947, when reduced acreage and the worst winter and the driest summer in a century combined to cut food production far below normal.

Because our economy is so largely geared to a big export of wheat and flour and to the coarse grains which are influenced by the same weather that makes or breaks the wheat crop, every Canadian, no matter what his individual occupation has a vital interest in world crop news of the next few months.

Napier Moore's

Scratch Pad

IN MONTREAL we looked up an old friend, Dr. Percy Vivian. Formerly Minister of Health in the Ontario Government, he now is head of the Health and Social Medicine Department of McGill University. We got to talking about the number of business and professional men who, in their late forties and early fifties, are being stricken with coronary thrombosis. Which reminded the doctor of the bluff and burly head of a Montreal corporation who, shocked by the sudden passing of two younger business executives, summoned his own hardworking vice-president. "Look," he said, "if it's necessary for you to have a coronary thrombosis, for Pete's sake hire someone to have it for you."

• • •

ON THE OTHER SIDE of the health ledger, let us consider John Lock. He is 79. We are told that every morning at eight o'clock he climbs into a sulky and turns a spanking trotting horse onto Dufferin Park racetrack. No matter what the weather is doing, he drives for one hour. The exercise, Mr. Lock asserts, keeps his liver in condition; replenishes his oxygen supply. Each weekday he goes from the track to business and does a full day's work.

Fifty-eight years ago, John Lock started the Grimsby Dairy; sold it in 1929. For 15 years he was secretary-manager of the Toronto Milk Distributors Association. Today he is president of J. H. Lock & Sons, refrigerating engineers; general manager of the Toronto Milk Bottle Exchange; treasurer of the Milk Foundation of Toronto. For 44 years he has been treasurer of the Toronto Driving Club.

Horses have been his passion since boyhood. All his adult life he has owned and trained trotters. In the early days he raced on Jarvis Street; had a stable there. Later he moved to Hillcrest Park (then a race track, now streetcar barns), thence to the old stables at the Canadian National Exhibition grounds. When they were torn down, Abe Orpen gave him permanent use of four stables at Dufferin. At the Royal Winter Fair and CNE last year he took nine prizes.

In 1943, 250 friends tendered John Lock and his wife a golden wedding banquet. His groom, Mickey O'Connor, has been with him 35 years; his secretary, Miss Thompson, for 30 years. John sees no reason why he shouldn't live to be 100. He eats sparingly, smokes a pipe, rarely touches alcohol. But his main recipe for longevity is the liver-shaking sulky.

• • •

FIRE BROKE OUT the other night in a dress shop under radio station CFRB, Toronto. The station staff turned in an alarm, grabbed fire extinguishers, rushed to the street, broke the store window and had the blaze under control when the engines arrived. But what tickled us was a report to this column by Harry Sedgwick, CFRB's president. As his staff tore madly down the stairs, they passed people toiling upstairs to attend an audience broadcast. An old lady, noticing the fire extinguishers, stepped nimbly to one side, shook her head, and murmured, "My, My. These quiz programs!"

• • •

THE MAN IS WELL-KNOWN in financial circles. But, because he is embarrassed beyond words, we won't divulge his name. He lives out of town and has a brand-new car. On a Saturday he drove to Toronto to attend a funeral, arranged to afterward pick up a week-end guest at a military club. Arriving there he parked on University Avenue, went in, gathered his pal, came out, got into the car but couldn't get the key to turn in the ignition lock. After considerable fiddling, he went back into the club and phoned the car dealer's service department. It wasn't open Saturday afternoons. He plodded through the directory; called numerous garages. No result. So he phoned the police garage. The police listened sympathetically, said they had heard of a lot of new car troubles, suggested he get a locksmith. They gave him a list of locksmiths. He dialed half a dozen numbers. But no locksmith appeared to be working Saturday afternoon.

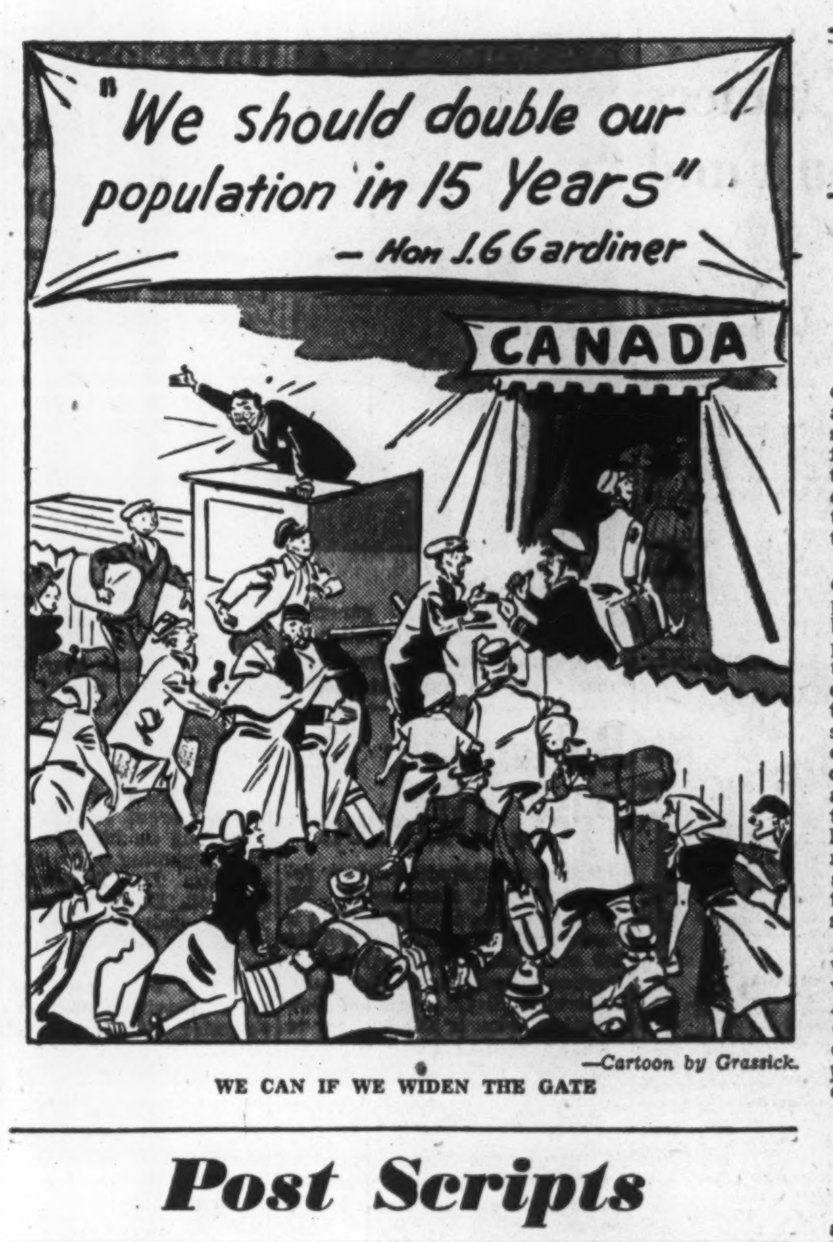
In desperation he called the police again. They agreed that this was a mess, and said that while they didn't make a practice of it, to help out a guest of Toronto they'd send over a police car with a mechanic. Only it would be an hour or more before it could get there. The man long-distanced his wife to explain why he would be late getting home.

All this phoning had taken some 45 minutes. As, mopping his brow, he left the booth, a stranger who had been impatiently awaiting his turn, said, "My hat, you've been on that phone a long time!" The man took five minutes to explain why. "Well," said the stranger, "I can start your car for you without any key. But you'll have to keep going. If you stop stop the motor, you won't be able to start it again." The man was very grateful.

They went out to the car. The helpful stranger gulped. He said, "Chum, no wonder your key won't work. This isn't your car. It's mine." And sure enough, the stricken one's own chariot—same make, same model—was parked a little farther up the avenue.

• • •

ONE HUNDRED YEARS ago this month Karl Marx published his Communist Manifesto. Indicating public interest at that time, when he died, in 1883, eight persons attended his funeral.


"We should double our population in 15 Years"
— Hon J.G. Gardiner
CANADA

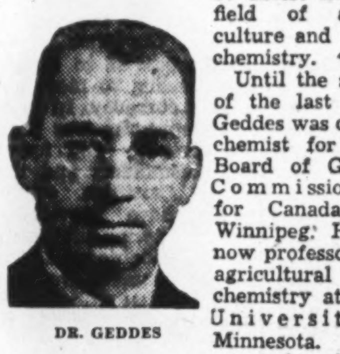
—Cartoon by Grassick.

WE CAN IF WE WIDEN THE GATE

Post Scripts

Food Chemist

In a reader poll of 55,000 chemists for the bulletin of the American Chemical Society, a well known Canadian, Dr. William F. Geddes, has been voted one of the top 200 chemists of the United States. He was also voted one of the 10 ablest in the field of agriculture and food chemistry.



DR. GEDDES

Until the start of the last war Geddes was chief chemist for the Board of Grain Commissioners for Canada at Winnipeg. He is now professor of agricultural biochemistry at the University of Minnesota. The year he left Manitoba he was elected president of the American Association of Cereal Chemists. He was the first person outside the United States ever to be so honored and no one other than a citizen of the United States has been elected to the position since.

These and many other recognitions of outstanding ability in a field of such vital importance to the prairie provinces, are a source of pride to Dr. Geddes' many friends in the west. They are also a source of irritation. Whether the stories were true or not, there were many reports at the time Dr. Geddes left Manitoba, that a few hundred dollars a year would have kept him in Canada. Thus the regrets of those who were in a position to know his capacity are all the greater that his services were lost to the country.

Born on an Ontario farm near Ottawa, Geddes took his degree at the Ontario Agricultural College at Guelph, specializing in chemistry. He graduated about the time of the first world war and during part of it did special work in a munitions plant. He came to Manitoba during the 1923-24 academic year of the university to accept an appointment as assistant professor in Manitoba Agricultural College. Granted a short leave of absence he took his Master's degree at the University of Toronto and on the eve of the depression of the 1930's he obtained a PhD degree at the University of Minnesota.

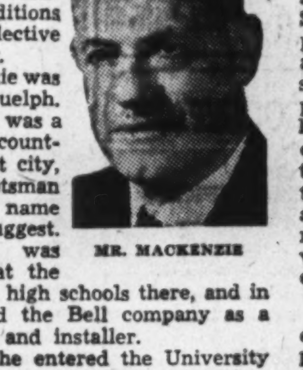
As a teacher and student he specialized in cereal chemistry. His research in this field started from the time he came west and after having obtained his Minnesota degree he came back to Manitoba Agricultural College as professor of agricultural chemistry.

He was appointed chief chemist for the Board of Grain Commissioners in 1933. One of his earlier research findings which attracted more than local notice in the grain and milling world had to do with the heating of damp wheat in storage and the effects on its quality. As chemist for the Grain Commission he was adviser on many technical problems and one of his responsibilities was to direct work of the grain research laboratory. Under his supervision its staff and facilities were expanded. Before this and while directing work of the laboratory he had been largely responsible for earlier work for improving varieties of bread wheat the effect of which was to give premier position to Canadian top grades in world markets.

While with the Grain Commission Dr. Geddes also set up the macaroni testing laboratory and initiated a series of research studies on flax and other oil seeds. At the time he left for Minnesota he was the author of about 40 scientific papers, many of them published in the Canadian Journal of Research and Cereal Chemistry. During the last war he collaborated with United States military authorities in studies of cereal foods. More recently he has directed a program of research and publication of its results on the chemical and other changes which take place during storage of wheat, soybeans, and other cereals.

Forty Years With Bell

A former repairman and installer who has been with the Bell Telephone Co., of Canada for nearly 40 years has been placed in charge of labor relations for that company and appointed an assistant vice-president. He is Alexander Macdonald Mackenzie and he will represent J. H. Brace, O.B.E., vice-president in charge personnel and public relations, on all matters related to wage surveys, current wages and working conditions and collective bargaining.



MR. MACKENZIE

Mackenzie was born in Guelph. His father was a public accountant in that city, and a Scotsman as the name might suggest. The son was educated at the public and high schools there, and in 1908 joined the Bell company as a repairman and installer.

In 1910 he entered the University of Toronto, to study engineering, working at his telephone job during the summer vacations. He graduated in 1914, and was soon after appointed plant wire chief with the Bell at Guelph.

With an interruption in 1917-1918 when he served as a lieutenant in the Signals Corps, Mackenzie has been with the engineering and plant departments from that time until his recent transfer. In 1930 he became general plant supervisor Montreal, in 1940 general employment and safety supervisor and in 1946 general plant personnel supervisor.

One of Mackenzie's achievements in the latter position was helping to guide relations with the plant employees during the stage when their association was developing into a fully-fledged union, with its own salaried officers. "Our long record of good relations stood us in good stead at that time," Mackenzie says. He is proud of the fact that relations are as good now as they were before the association was re-organized.

One of the most important aspects of plant work in the Bell company —or elsewhere—is safety, and much of Mackenzie's work has been concerned with this problem. As a result, he became keenly interested in the St. John Ambulance organization in which he is a member of the Ambulance Committee, Ottawa. Last June he was invested as an Officer of the Order of St. John of Jerusalem by Lord Alexander at Rideau Hall. The award was made for wartime services in organizing first aid training.

Training has played another important part in Mackenzie's career. He was for some years in charge of craft and supervisory training courses, and, in addition to training men for special signals duties—including a detachment for the Alcan Highway—in the services during the recent war, he was largely concerned with the program for rapid training or retraining of ex-servicemen for company positions after the war's end.

Mackenzie's main hobbies are Boy Scout work—he is District Commissioner for the central district of Montreal in the Scout organization—and golf. He used to play frequently at Summerlea, but in recent years his golfing has been largely confined to vacations at Tadoussac, Quebec, where he and his wife, (the former Mildred Barker of Guelph and Georgetown, Ont. have spent their holidays for many years.

Stop Me If—

Doctor's Wife: "And what does your husband do?"

2nd Wife: "He's an efficiency expert in a large office."

Doctor's Wife: "What does an efficiency expert do?"

2nd Wife: "Well, if we women did it, they'd call it nagging."

What Others Are Saying

Editorial of the Week

Monopolies

Toronto Globe and Mail

Much has been heard of the high-handedness of "private monopolies" from Leftist speakers of all persuasions, but there has been a singular silence from them all in the last few days. Confronted by a striking example of monopoly dictatorship, words failed them—because the monopoly was publicly owned. It has been to extend this sort of monopoly that they have dedicated themselves.

This newspaper has always been a supporter of the ideal of a publicly owned hydro-electric power system, and it does not deny the obvious benefits which power at cost has brought to the people of Ontario. Nevertheless, the recent tactics employed to deal with the power shortage could not conceivably have been used by, say, the Bell Telephone Company, or even the Consumers' Gas Company. If by any freak of fate either of these private monopolies were to shut down their service completely without warning, and with no better explanation than was given the people of Toronto last week, what would have happened to their managements, or, for that matter, to the value of their stocks? What furious screaming would have rent the air demanding that these "terrible monopolies" should be destroyed!

But now, not a word! And, indeed, what would be the use? Protected by every contract with a customer, and by the Power Commission Act of 1946 and by the Public Utilities Act, the (Ontario) Hydro goes its own sweet way, oblivious of criticism, indifferent to consequences, a law unto itself. Multiply this by any number you choose, and you have socialism.

Other People's Views

WHAT'S GOING TO HAPPEN IN PALESTINE after the British pull out, asks the **Vancouver Sun**? "But suppose the Arabs in Palestine refuse to form a new Arab nation? Suppose they go on fighting as individuals with or without open aid from neighboring Arab states? At all points the solution to Palestine's troubles, and the safeguarding of United Nations' prestige, lies with the Security Council, which alone can take decisive action after acknowledging a threat to peace. Decisive action, taken now, will stop a lot of bloodshed and head off a possible international explosion. This is no time to delay."

SYNTHETIC GASOLINE should be considered by Canada, thinks the **Calgary Herald**. "In any such a development, Canada is likely to take a prominent place. We now import 90 per cent of our oil needs, principally from the United States, and, to a lesser degree from South America. Should the United States have to curtail oil exports drastically, Canada would be seriously affected. Yet Canada has the raw materials for synthetic gasoline in great quantities. Alberta, particularly, abounds in coal and natural gas. She has, too, abundant supplies of water, which is essential to such production. Recent oil strikes in the province have been most encouraging, but they have not, and probably will not, make Canada self-sufficient. Now is the time for experimentation and development of synthetic fuels, not when an emergency suddenly cuts off nine-tenths of the country's supply."

THIS IS THE TIME when the Dominion Government should be paying off debt, says the **Winnipeg Free Press**. "Like our neighbors we suffer from an over-supply of money which is bidding up the price of goods. It is a time, obviously, when the government should be using the weapon of its budget to reduce this pressure by reducing expenses where possible, accumulating revenue surpluses, using them to pay off debt and hence contracting the base of bank credit. This process may appear somewhat complicated to the layman but he will certainly understand, from his own private experience, that debt accumulated in bad times should be paid off in flush times like the present if it is to be paid off at all. Even if we were not suffering from inflation the steady retirement of our war debt would be advisable. Under existing conditions reduction is imperative."

The Financial Post

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Feb. 28, 1948

What's the Average Profit of Small Food Retailer?

Here's Figure Survey Found In 5,000 Stores

BY CYRIL BASSETT

How much loose change from Mrs. Housewife's food dollar goes into her neighborhood grocer's pocket? Nothing like as much as some of his customers may think.

If he's average: 6.5 cents. At most: 9 cents. Some struggle along with a mere penny of net profit. And then, of course, the Government takes a bite in income tax.

At that, your food man is doing better than prewar, but generally not as well as during the war.

That, in broadest terms, is how DBS saw the food retailers' position in 1946 from a survey of 5,000 independent operators in five types of business: grocery, combination (meat and groceries), meat, fruits and vegetables, confectionery.

And according to the Retail Merchants Association of Canada the change last year was in a downward direction—a trend continuing into this year with higher prices forcing consumer resistance and lower markups. Put on the Association's basis of stating operating results, the average independent food retailer last year was taking $50 a week salary for himself plus at most a commission of 2% on net sales.

Looking at the DBS figures from another angle, the best average take in any one of 66 classifications of the independents' retail food business before income tax was paid was $7,903 (combination) and the lowest $567 (combination).

And, generally speaking, the bigger the store, the smaller was the percentage profit on net sales.

This meant, generally, that the $100,000 a year store was paying lower prices to the wholesaler (through quantity buying) and charging lower prices to his customers than the $10,000 a year man along the street.

Taking operating results for the business as a whole it becomes clear that Canadians today are buying their food at prices which give the average Canadian independent food man a 17% gross return on his outlay: 3% less than in 1938.

How 1946 Business Looked

What were the significant features of trading in 1946?

1. There were clear indications that all types of food businesses were on their way back to prewar operating patterns. (That trend has been more clearly underlined in the more recent past).

2. Net profits decreased in ratio to sales as business volume expanded, but dollar value of net earnings per store showed marked gains.

3. There was a clear reflection of the effect of rising prices, in terms of tighter consumer buying habits, in the fact that while dollar value of inventories rose the change in physical volume of merchandise was not so great.

4. Rate of stock turnover per year declined for every type of retail food store (as compared with 1945).

How is all this reflected in the actual business experience of the small food operator?

One trend is becoming more emphatic: the small merchant is giving less credit and delivery service. Today, according to RMA officials, 80% of the independent food business is done on a cash-and-carry basis—as an important saver in operating costs.

In compiling its report DBS made a case study of operations of a combination food dealer in Ontario in the $20,000-$49,999 class of business as an example of average food merchandishing progress. This merchant has a reasonably modern small store, well laid out and offering semi-service. His staff is a butcher, a delivery boy, and a member of the family as part-time cashier.

Here's How He Operates

Interpreting his operating results (which are given in the accompanying table together with average operating results) DBS notes as significant of the trend among independent retailers toward streamlining of merchandising methods:

Skilful buying of stocks at the right time and the right price, for resale at low prices, combined with sales of other items at above average prices gave him a high gross margin and a better-than-average net profit.

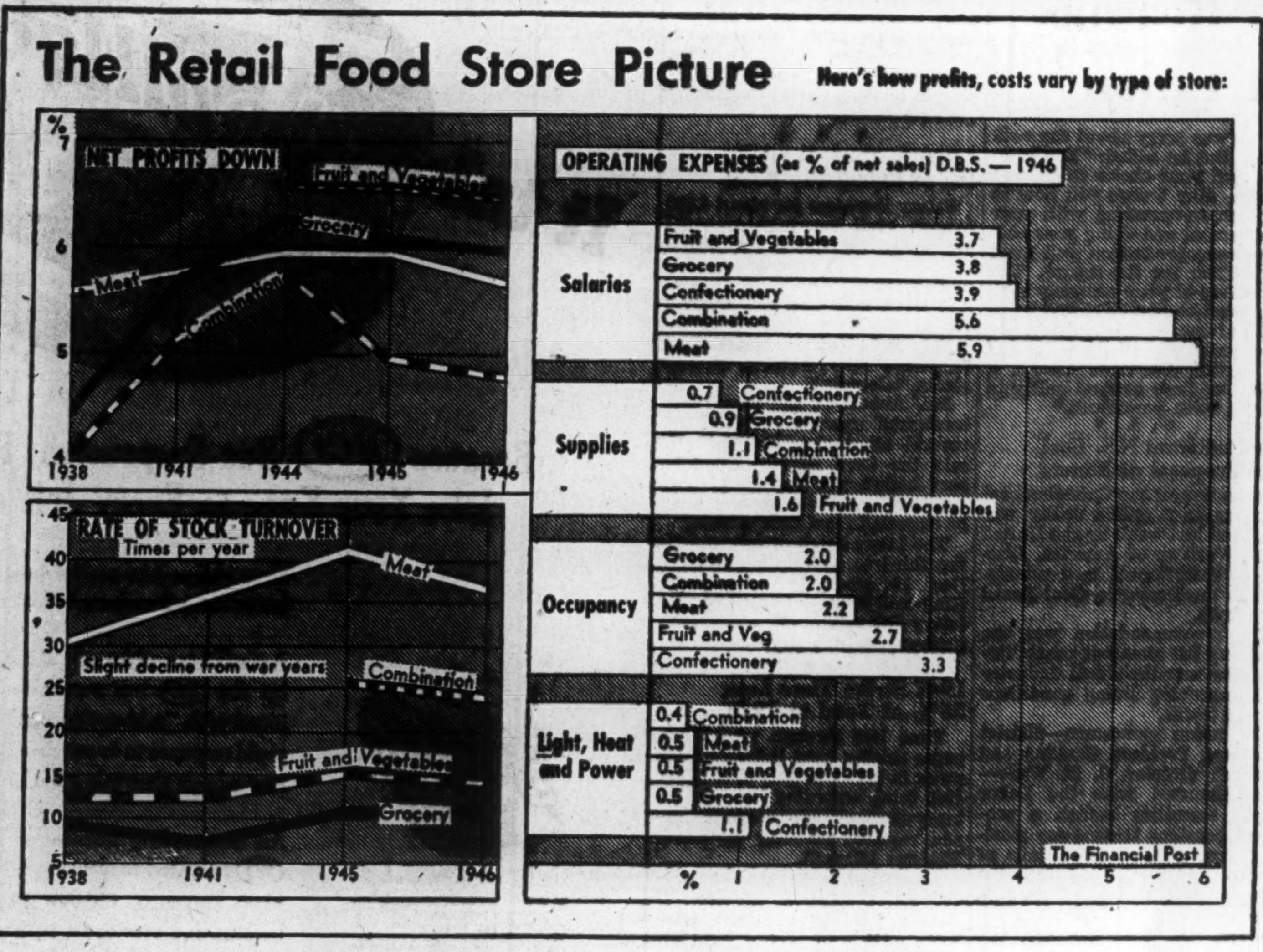
For the early postwar period he intelligently assessed his neighborhood and his competitive position.

He gave special consideration to pricing as a first step toward increasing net sales.

He planned a gradual change from specialized service type of store to price-appeal-quantity merchandising.

Rearrangement to allow semi-self service enabled him to do without additional sales help and thus bring the expense ratio down and more into line with the average.

He uses as a constant yardstick the average operating results of his fellow merchants against which to match his own carefully kept records. With this background he has adjusted and constantly readjusts himself to changing conditions of purchasing, marketing and competition.



Based on results of DBS survey of 5,000 independent retail food stores across Canada, net profits are stated as percentage of net sales before deducting proprietor's salary and income tax.

DBS Case Study of Operating Results Compared with DBS Average

Item	Case Study	Average
Net sales	$26,671	$32,427
Beginning inventory	2,403	2,143
Merchandis'g purchases	21,705	27,656
Ending inventory	2,609	2,450
Cost of goods sold	21,499	27,349
Gross margin	19.4%	14.7%
Operating expenses:		
Employees' salaries	5.7	3.2
Store supplies	1.6	0.8
Taxes	0.5	0.4
Rentals	1.4	1.3
Heat, light, power	0.6	0.5
Repairs, maintenance	0.6	0.3
Depreciation	0.5	0.4
All other	0.6	0.8
Total operating exps.	11.5	7.9
Net profit (before own salary & income tax)	7.9	6.8
Stock turnover (times per year)	18.8	12.0

Breaking down the DBS figures how did business look compared with 1938 results?

A pattern common to all types of business showed: Gross margins down, new profits up; salaries and expenses up; dollar earnings up.

In the larger stores increased salary costs were accompanied by a reverse trend in the ratio of net profits but greater sales volume actually produced a net result of greater dollar value in net profits.

Here are some details:

Grocery: Average gross margins down from 16.0% of net sales in 1938 to 14.3 in 1946; net profits up from 4.5% to 6.0%.

Combination: Gross margin down from 17.4% to 15.1%; net profit up from 4.1 to% 4.8%.

Meat: Gross margin down from 22.4% to 17.2%; net profit up from 5.6% to 5.8%.

No comparative figures are available for fruits and vegetable and confectionery stores.

Over the same period grocery and meats showed the biggest increases in stock turnover: groceries up from 9.9 times a year to 11.4 and meats from 31 to 37.2. Combination stores increased slightly from 13 times a year to 37.2.

How did conditions vary between different sizes of business?

Groceries: Gross margins were lowest where stores were owned, ranging from 17.4% of net sales in the rented, less than $10,000-a-year business class, down to13.4% in the $20,000 to $49,999 owner class.

The ratio of gross margin to net sales was also invariably greater in the smallest classes of business, and the operating expenses/net sales ratio was the highest in the biggest class of business; 10.5% for $100,000-and-over businesses as compared with 7.2% in the small business field.

Every size of business carried a greater inventory at the end of 1946 than at the beginning. Stocks were replaced more quickly in the larger stores than in the smaller, ranging from a turnover rate of 12.6 times a year ($100,000 and over) to 6.6 (under $10,000).

In most cases individual owners paid a greater proportion in salaries and netted lesser profits than did partnerships. For example the average percentage of net sales paid out in salaries by individuals in the $20,000 to $49,999 classes owning stores was 3.0 as against 1.5 for partnerships.

Combination: Gross margins followed no definite trend in 1946. Net profits decreased in ratio with greater sales volume due in part to an increased salary/expense ratio among the larger stores. Greater volume, however, resulted in greater dollar volume of net profit.

As with groceries, all inventories at the end of the year were considerably greater in dollar volume than at the beginning of the year: in the larger stores this difference amounted to an average 27% increase in inventory position as compared with 11% in the small business field.

Meat Markets: Gross margins showed the biggest decrease of any class of business when compared with 1938, down from 22.4% of net sales to 17.2%. Net profits, however, showed only a 0.2 rise from 5.6% in 1938 to 5.8%.

The net profit ratio ranging from 14.7% in small stores to 4.6% in the largest stores was translated into a reverse trend in dollar values—from $1,049 per store in the smallest stores to $6,618 in the top bracket.

Stock turnover ranged from 21.0 times a year in the small size class to 45.0 in owned stores in the $50,000-$99,999 class.

What's Ahead?

What's ahead for the independent food retailer?

His main immediate problem lies in intensified competition from the chains.

But, says George Christensen, national director of the Retail Merchants Association, no aggressive independent need go to the wall in this fight.

What's the answer?

Says Mr. Christensen: Modern merchandising methods; constant study of operating costs; maybe co-operation buying.

Too many retailers now in business, Mr. Christensen says, got soft during the war period of guaranteed markups and no competition and forgot the fundamentals of their business, lost the art of merchandising.

Recently the RMA adopted a "program of efficient merchandising and fair trading" designed to educate members in the most efficient methods of operation.

This program aims to preserve members from getting into a "dangerously weak competition position" by establishing an advisory service to help the retailer control costs, keep his records and finance his business on a proper basis.

Footnote by RMA: Average business life expectancy for independent food retailers stands at just five years.

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R. H. L. MASSIE

Confederation Life Association announces the election of H. C. F. Mockridge and R. H. L. Massie as directors, at a meeting of the board on February 19. Partner in the legal firm of Osler, Hoskin & Harcourt, Mr. Mockridge is a director of International Nickel Co. of Canada, Ltd.; Hudson Bay Mining & Smelting Co., Ltd.; and Churchill River Power Co., Ltd. Mr. Massie is president of the insurance firm of Massie & Renwick, Ltd., and of Dominion Fire Insurance Co. He is vice-president of Ensign Insurance Co., and director of Northwestern National Insurance Co. and John Inglis Co., Ltd.

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LABOR ROUNDUP

Here Are B. C. Judge's Main Reasons For Damage Decision Against Union

In one of the most significant judgments in the history of Canadian labor relations, Mr. Justice J. O. Wilson of the British Columbia Supreme Court last week ruled that the 21-month-old strike of AFL International Typographical Union printers against the Vancouver Daily Province is illegal.

He ordered payment of $10,000 "nominal" damages and costs to the owner of the newspaper, the Southam Co., by six officers of the defendant union Local 226.

The judgment found that:

The strike had nothing to do with any situation on the Province, where conditions before it were satisfactory to everyone;

The strike had been precipitated by a situation in Winnipeg with which the Province had no connection;

The publishers had done everything possible to avoid it;

The strike "contravened" labor laws;

ITU claims that Southam Co. had plotted against its ITU employees were "fantastic";

Methods used in picketing were unlawful—that there had been cases of intimidation and cowardly sinister attacks;

Certain wrong acts on picketing were "agreed on and done" by the union local's general membership;

The riot outside the Province office July 23, 1946, was one of the most disgraceful criminal acts in the history of Vancouver;

A labor union has no more right to prevent free access to an employer's premises than an employer has to prevent access to union headquarters.

In his 22-page judgment Mr. Justice Wilson said: "their (ITU) action has been disastrous to themselves, highly injurious to the plaintiff and has achieved nothing for the Winnipeg strikers. He said he hoped that nominal damages awarded would be "sufficient to fix in the minds of all parties to labor disputes the necessity for deliberation, moderation and adherence to the law."

* * *

Ford Makes Its Foremen Part of the Management

Washington's Taft-Hartley law freed U. S. management of having to bargain with foremen's unions. But it didn't show how to close the gap between top and lower levels of management, so that foremen won't hanker for a union again.

That's why personnel policy covering supervisory workers is getting new scrutiny on the eve of new contract talks with U. S. production workers' unions.

Ford, first major employer to recognize the Foremen's Assn. of America, now is a pacesetter in the move to take foremen back into the management fold. Ford President Henry Ford II has announced that his supervisory workers are being classified under a new plan which he said would broaden their responsibilities, give them more co-operation, opportunity, security.

The new Ford plan for foremen assures them:

Full responsibility for running their departments—to keep spoilage down, to maintain good housekeeping and safe working conditions to equal or better established production schedules.

Active participation in broad over-all company activities—a step aimed at ending arguments that foremen haven't a voice in policy.

New authority "to develop and administer" working forces—possibly meaning that foremen will get back authority in problems of hiring and discharge, grievance handling and others which have drifted to personnel and labor relations offices.

Here are the eight major points in Ford's new plan for foremen:

1. Foremen will perform only management functions, directing working forces under clearly defined responsibilities;
2. Each foreman will get an outline covering his responsibilities;
3. Three levels of departmental supervision will be set up to replace the present eight levels and give more direct communication at all levels;
4. Work done by each foreman will be analyzed, with exact job descriptions the yardstick;
5. Organizational charts will outline relationships in each department and show foremen where they fit into the picture;
6. Clerical work will be cut to a minimum;
7. A foundation for a foreman training program will be set up;
8. Salaries will be readjusted; six occupation groups will be set up: bottom and top salary ranges will be fixed in each with opportunity for upward transfer; merit will govern raises, based on application, interest, efficiency, experience.

* * *

Union Defeated in Vote But Bows Out Gracefully

All is not bitter in Canadian labor disputes.

At Niagara Falls, Ont., last week the AFL International Chemical Workers' union was defeated by a 2-to-1 vote of employees of McGlashan Clarke Co. when it sought certification as their bargaining agent.

In a signed statement posted in the plant and released to press and radio along with one from the management, the union's resident organizer, George E. Gare, said he was sorry about the vote result. But he added: "You have expressed your choice fairly and cleanly. May I urge you now to carry on co-operating with your management and doing your best to increase production and meet competition for the future. The executives of your company have been most co-operative and helpful in giving you the opportunity to express your opinion and I feel certain that their attitude is typical of their general policy in dealing with employees."

* * *

Gasoline from N.S. Coal One Proposal of Miners

Operation of the Canadian coal industry as a public utility was proposed last week by the United Mine Workers of America, District 26 (Maritimes) in a submission to the Dominion Coal Board at Ottawa.

The recommendation was one of a long list aimed at rehabilitating the maritime coal industry and improving living conditions in coal towns.

The union spokesmen—district president Freeman Jenkins and research director C. B. Wade—also discussed with the Labor Dept's annuities branch a proposed pensions scheme for maritime coal miners. No details of the plan were made before the pair returned to Glace Bay, N.S.

In its many-sided program for reviving the coal industry, the union's 8,000-word submission calls for fuller mechanization of collieries under a national coal policy, research into production of gasoline from coal and development of improved combustion equipment for more efficient coal consumption.

On the last point, it asks for research toward a smokeless, clinkerless furnace; development of gas and steam turbine locomotives; and a survey of the possibilities in central (district) heating along with a plan for its immediate introduction in "suitable localities."

* * *

Power Cuts Hit Plants As Gas Shortage Eases

An estimated 20,000 workers unemployed for about a month began to return to their jobs last week as supply of natural gas was restored to industry in Windsor, Chatham, London and other Southwestern Ontario centres.

Ontario Fuel Controller A. R. Crozier announced he had agreed to the restoration of industrial service on being assured by engineers on the spot that field pressures had improved with warmer weather. Another major reason for improvement in the natural gas crisis was response by householders to conservation appeals.

Industries affected were those served by Windsor Gas Co., Union Gas Co., and City Gas Co., of London. Numbering around 350, they include big automobile companies in Windsor and region and their feeder plants. They use about six million cubic feet a day. The back-to-work movement was expected to be gradual because production stride could be regained abruptly in relatively few of the larger plants affected.

But against the rapidly brightening picture for gas-using industries and workers stood another weather-caused shortage in industrial Ontario—hydro electricity. McKinnon Industries at St. Catharines announced 55 men would be laid off because of shift changes to conserve power. From many other points in the province came talk or action on similar small-scale layoffs. And though actual layoffs had not assumed substantial bulk by midweek there was a good deal of grumbling in labor ranks over unpaid idle time when power switches were pulled for repeated brief periods in some cities as a conservation measure.

* * *

4,800 in Govt. Service Get $840,000 Pay Boost

Salary increases for about 4,800 federal civil servants—amounting to an estimated $840,000 a year—were announced by Finance Minister Abbott at Ottawa last week end. The raises cover office boys to executives' secretaries and include messengers, telephone operators, review clerks, teletypists.

Mr. Abbott at the same time confirmed upward revisions for several other classifications. He said the Civil Service Commission hadn't yet approved these and that "further statements may be expected from time to time."

The latest batch of increases is the third to be announced since Dec. 19 when Prime Minister King said the whole civil service salary list was under study with a view to raising pay.

* * *

1947 Strike Time Loss 55% of Total in 1946

Time loss through work stoppages arising from industrial disputes in 1947 was only 55% of the 1946 total, according to a preliminary study of 1947 strikes in Canada released recently by Labor Minister Mitchell.

The tentative figures show 60,000 fewer workers involved in strikes; two million fewer man-work days lost. There were 219 strikes involving 77,995 workers with a time loss of 2,422,332 man-work days, as compared with 228 strikes in 1946 involving 139,474 workers and a time loss af 4,516,393 man-work days. The time loss per thousand available work days in 1947 was 2.70 against 5.03 in 1946.

* * *

Alta. Coal Up $1 to $1.75 As Pay Raise Ends Strike

Coal dealers in Calgary last week announced an increase in price ranging from $1 to $1.75 a ton effective immediately. The boost followed the granting of a $2 a day wage increase for Alberta coal miners. Similar price increases were reported throughout the province.

The new prices went into effect as 3,700 bituminous diggers returned to work in the Crow's Nest Pass coalfields in Alberta and B. C. after a 37-day strike by members of District 18, United Mine Workers of America (CCL) which followed breakdown in contract negotiations.

Another 3,000-odd miners employed in domestic coalfields in Alberta were due back at work this week. Negotiations continued for 700 domestic miners in the Edmonton district and close to 3,000 B. C. miners employed in the big Nanaimo coalfields.

COMPANY REPORTS

BUILDING PRODUCTS net profits were 20.2% higher at $1,557,374 in 1947. President W. R. McNeil states that while profit was greater in total amount, due to larger volume of sales and lower excess profits tax, the final net profit for each dollar of net sales was less than either in 1946 or prewar year of 1939.

Company's average selling prices have increased over 1939 by only 20%, whereas the combined average prices for all building materials, according to latest figures of Dominion Bureau of Statistics, are up 106%, Mr. McNeil adds.

Incoming orders continue at a satisfactory rate and progress seems promising for another good year of construction and for sales of the company's products. Mr. McNeil states that while present high costs are curtailing volume of new construction, which might otherwise be undertaken at the present time, these deferred plans should substantially add to the normal volume of construction to be done over the next few years.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$3,373,939	$3,144,660
Less: Deprec. res.	284,203	241,080
Debenture int.	27,500	27,500
Emp. pens. fd.	48,362	22,646
Prov. for taxes	1,456,500	1,558,000
Net profit	1,557,374	1,295,434
Less: Com. divds.	580,061	483,384
Surplus for year	977,313	812,050

Earnings per Share and Dividend Record:

	1947	1946
Common	$3.22	$2.68
Paid	1.20	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds. ...	$2,150,039	$2,031,747
Accts. rec.	1,007,002	841,118
Inventories	1,654,374	1,085,969
Total curr. assets ..	4,811,415	3,958,834
Prep. exp.§	104,649	84,844
Ref. EPT	539,701	539,476
Fixed assets*	1,737,773	1,588,438
Total assets	7,193,538	6,171,592
Accts., tax, etc., pay..	1,699,195	1,607,719
Ser. deb. due	125,000	....
Total curr. liab. ...	1,824,195	1,607,719
Funded debt	875,000	1,000,000
Reserves	487,826	434,894
Capital stock	1,483,110	1,483,110
Surplus▲	2,523,407	1,645,869
§Incl. in curr. assets in co's. report.		
*After depr. of	2,128,315	1,854,815
▲Incl. refd. EPT ...	539,701	539,476
Working capital	2,987,220	2,351,115

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$2,500,000

William Neilson, Limited

5% Cumulative Redeemable Sinking Fund Preference Shares
(Par Value $100 per Share)

In the opinion of counsel these Preference Shares will be investments in which The Canadian and British Insurance Companies Act, 1932 (Canada) as amended states that companies registered under it may invest their funds.

An offering circular is available upon request.

We offer as principals these Preference Shares, when, as and if issued by William Neilson, Limited and accepted by us, and subject to the approval of all legal details by our counsel, Messrs. Fraser, Beatty, Tucker, McIntosh & Stewart, Toronto, and by the Company's counsel, Messrs. Borden, Elliot, Kelley, Palmer & Sankey, Toronto.

Price: $100 per share flat

It is expected that Interim Share Certificates will be available for delivery on or about March 8, 1948.

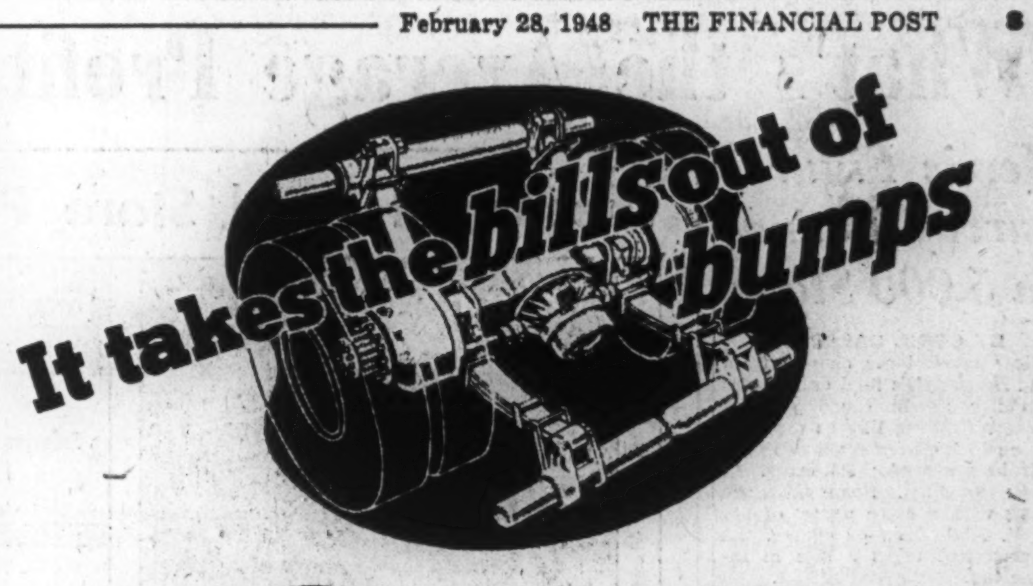
Application for the listing of these Preference Shares has been made to The Toronto Stock Exchange and Montreal Stock Exchange.

The right is reserved to reject any or all applications or to allot a smaller number of shares than that applied for.

Gairdner & Company
Limited

Wood, Gundy & Company
Limited

Bell, Gouinlock & Company
Limited


It takes the bills out of bumps

Because MCI Bus Suspension Responds Like Your Knee to Every Jolt or Jar

Ever stopped to realize how the resiliency of your knees saves knock and shocks to your system?

A similar *to and fro* axle action is achieved exclusively by the MCI bus suspension method. This, combined with "rubber-floating," provides the ready and rapid response to every road condition from front and rear wheels that takes the bills out of bumps.

An outstanding illustration of the effectiveness of MCI patented suspension is the fact that MCI buses have travelled 150,000 to 200,000 miles (under present day overloads) without a spring replacement or a loosened body screw.

An MCI engineering adaptation of the torque tube principle, the entire suspension system, both front and rear, can be removed in a few minutes.

Consider Your Cost—Then Consult MCI

MOTOR COACH INDUSTRIES
LIMITED
WINNIPEG CANADA

How can I BEST invest my savings?

If you would like to increase the earning power of your savings, our long experience in matters relating to investment, is always at your disposal.

We can meet your particular requirements for security and income, from a wide variety of government, municipal and corporation securities.

Feel free to consult us without obligation at any time.

G. E. LESLIE & CO.
Head Office: 360 St. James St. W., Montreal
Members: Montreal Stock Exchange • Montreal Curb Market
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Branches at: Halifax, N.S., • Sydney, N.S., • Saint John, N.B., • Moncton, N.B.
7-18

NEW ISSUE

$9,500,000

Province of New Brunswick

Sinking Fund Debentures

To be dated March 1, 1948
$2,000,000 2½% to mature March 1, 1951
$2,000,000 2¾% to mature March 1, 1953
$5,500,000 3¼% to mature March 1, 1958

Principal and half-yearly interest (March 1 and September 1) payable in lawful money of Canada in the Cities of Halifax, Charlottetown, Saint John, Moncton, Fredericton, Montreal, Toronto, Winnipeg, Regina, Calgary or Vancouver, at the option of the holder. The debentures of this issue are non-callable prior to maturity. Coupon debentures in denominations of $1,000 and $500 with provision for registration as to principal.

The authorizing Order-in-Council will provide for an annual sinking fund during the currency of the debentures of each maturity of a sum equal to 2% of the principal amount thereof.

Legal Opinion: Messrs. Daly, Thistle, Judson & McTaggart.

In the opinion of Counsel, these debentures will be legal, valid and binding direct and general obligations of the Province of New Brunswick and will be chargeable, principal and interest, on The Consolidated Revenue Fund of New Brunswick.

Descriptive Circular available on request.

PRICE:
1951 maturity: 100.00 yielding 2.50%
1953 maturity: 99.75 yielding 2.80%
1958 maturity: 100.00 yielding 3.25%

(accrued interest to be added to each price)

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the Subscription Books at any time without notice.

We offer these Debentures as principals, if, as and when issued and accepted by us, subject to the approval of Counsel. It is expected that Debentures in Interim form, exchangeable for Definitive Debentures when available, will be ready for delivery on or about March 8, 1948.

Dominion Securities Corpn. Limited
Wood, Gundy & Company Limited
A. E. Ames & Co. Limited
Eastern Securities Company Limited

Bell, Gouinlock & Co. Limited
McLeod, Young, Weir & Company Limited
Mills, Spence & Co. Limited
Cochran Murray & Co. Limited

F. J. Brennan & Company Limited

The statements contained herein are based upon information obtained from official sources, but are in no event to be construed as representations by us.

February 18, 1948.

SERVICE TO INVESTORS

Among the services which we provide our clients are the following:

1. MONTHLY BOOKLET "INVESTMENTS".
2. TRUSTEE INVESTMENTS (Booklet).
3. QUARTERLY CANADIAN REVIEW.
4. CANADIAN GOVERNMENT LOANS HANDBOOK FOR INVESTORS AND DEALERS IN CANADIAN BONDS.
5. SECURITY RECORD BOOKLET.
6. ANALYSIS OF SECURITY HOLDINGS.
7. STATISTICAL DEPARTMENT.

Investors are invited to avail themselves of any of our services, and to call upon us for recommendations regarding the purchase or sale of securities.

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Buying and Selling Orders accepted for execution at regular rates of commission on the Toronto, Montreal and New York stock exchanges.

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Underwriters and Distributors of Investment Securities Since 1901

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LONDON HAMILTON KITCHENER QUEBEC HALIFAX SAINT JOHN

$2,000,000

CITY OF VANCOUVER, BRITISH COLUMBIA

GENERAL OBLIGATION BONDS

SEALED BIDS for the purchase of General Obligation Bonds of the City of Vancouver, British Columbia, of the face amount of $2,000,000 for the construction of roads, sewers and water works will be received by the undersigned at his office in the City Hall, Vancouver, B.C., until Tuesday, March 9th, 1948, at 10 o'clock a.m., Pacific Standard Time.

The bonds will be dated April 1st, 1948, and will mature serially without option of prior payment; $60,000 of bonds on April 1st in each of the years 1949 to 1953 inclusive, $70,000 in each of the years 1954 to 1958 inclusive, $80,000 in each of the years 1959 to 1963 inclusive, $90,000 in each of the years 1964 to 1968 inclusive, and $100,000 in each of the years 1969 to 1973 inclusive. They will be coupon bonds of the denomination of $1,000 each and will bear interest at a rate, or rates, expressed in multiples of ¼ of 1%, and said interest will be payable semi-annually on April 1st and October 1st. Both principal and interest will be payable at the Bank of Montreal, and in Canada only. Provision can be made for registration of principal.

Comparison of bids will be made by taking the cost of interest to the City at the rate or rates named in the respective bids and deducting therefrom the premium bid, if any. No bid will be accepted for less than par value, and no proposal for less than all of the bonds will be considered.

Envelopes containing the bids should be plainly marked "Proposal for Bonds".

Parties tendering are required to state the net price for Vancouver payment and delivery of the securities. If desired, delivery will be made elsewhere at the purchaser's expense.

A certified cheque in the amount of $10,000 payable to the order of the Treasurer of the City of Vancouver must accompany each bid as a guarantee of good faith on the part of the bidder. No interest will be allowed on the good faith cheques.

The right is reserved to reject any or all bids.

FRANK JONES, City Comptroller.

We have the pleasure of announcing the election of

MR. W. S. GRAY

as a Director of this Company

Brian Locke & Company, Limited

Stock Brokers — Bond Dealers

206 Insurance Exchange Bldg.
CALGARY

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DRI-BREIT SOLE LEATHER

- If it's Dri-Breit it's watertight
- And it does wear longer... Ask for Dri-Breit on your new and rebuilt shoes.

THE BREITHAUPT LEATHER CO. LIMITED
KITCHENER • ONTARIO

The Provincial Roundup

British Columbia

Double Win for Coalition: "Boss" Johnson's Coalition passed its first test of strength with flying colors this week; would face the legislature next week (March 2) with its strength unchanged: Coalition 37, Opposition 11. In a five-way contest, A. J. R. Ash carried Saanich for the Coalition, 5,014 against 3,731 for the CCF runner up. Walter Hogg, Coalition, defeated a CCF-er by a narrower margin, in Cariboo. The vote in the 1945 general election: Cariboo, Lebourdais (Liberal Coalitionist) 1,370; Thomas (CCF) 995; in Saanich, Whittaker (Liberal Coalitionist 5,414; Neilson (CCF) 3,431.

Split on Milk Prices: As the Cabinet pondered a Milk Board Recommendation for a two-cent price increase (The Financial Post, Feb. 14), a dissenting voice came from the Fraser Valley Co-Operative Milk Producers' Association. Major source of B. C.'s butter, and leading supplier of milk to the Greater Vancouver area, the Association wired, asking that prices remain at present levels. Vancouver Island and Mainland producers, branding the telegram "a knife in the back", insisted that the future of the industry depended on the recommended boost. In the face of such a split, the Cabinet kept its own counsel.

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Alberta

Social Credit Split.: The Social Credit Government, some observers said, had for twelve and a half years, given the province good government, but no Social Credit. This week there were renewed indications that the party might be splitting at the seams. Earlier (The Financial Post, Jan. 3), it had purged its official publication, the Canadian Social Crediter, of suspected anti-Semitism. Now, within 24 hours of the convening of the Legislature, Premier E. C. Manning announced that he had been "forced" to ask for the resignation of Education Minister Earl Ansley and Deputy Minister of Economic Development L. D. Byrne, who "held views and advocated policies at distinct variance with those of the Government." The step marked another conflict between "Douglas" and "anti-Douglas" ideologies of Social Credit; Manning and the majority of his cabinet were in the latter camp; Ansley and possibly some others, in the former. Ivan Casey, of Okotoks, High River, succeeded Ansley in the Cabinet.

Simultaneously, the province heard forecasts of the early resignation of Public Works Minister W. A. Fallow, one of the last three "originals" of the Aberhart cabinet of 1935 (the others: Premier Manning, Health Minister W. W. Cross). This, however, would be for reasons of health, rather than to any clash in views.

"Outlaw" Daylight Saving: One of the few surprises in the Government's legislative program was a bill to outlaw daylight saving time, except "by special permission"; imposing a $25 penalty for anyone advancing a clock without such authority. The bill would sanction "summer time" if an agreement on its use were reached with two other provinces, or with the Dominion Government; otherwise would make the use of Mountain Standard time obligatory. Last year confusion had arisen when the Legislature refused to sanction daylight saving in Edmonton, but had permitted it in Calgary and some other centres.

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Saskatchewan

Split on Pension Cut: "The first crack in the wall of CCF complacency" was seen by Liberal Leader W. J. Patterson, in the Government's cancellation of a $5 monthly supplementary allowance to old age pensioners, "against the express wishes of the legislature." "That comes with poor grace" retorted Premier T. C. Douglas, "from men who were as stingy and mean in handling old-age pensions, as any government that ever sat on treasury benches." Jacob Benson, CCF, of Last Mountain, hoisted a flag of mild insurgency (not the first time; see The Financial Post, April 13, 1946, March 22, 1947); called on the Government to "admit making a stupid mistake," and voted with the opposition. The vote: 42-7, in the administration favor.

"Turn Heat on Ottawa": Charity might begin at home, but social security should begin at Ottawa, Attorney-General J. W. Corman told municipalities and other organizations throughout the province; bade them unite to press federal authorities for implementation of security proposals advanced two years ago:

"Until this is done, you will not get much consideration from me, when you come to Regina for financial assistance out of the Saskatchewan taxpayers' money . . . I will feel you have not yet done your part." Corman saw no reason why non-agreement on the part of Ontario and Quebec, should impede a security program for the seven concurring provinces.

"Economize" on Judges: Legislation to cut the number of future judges in the province, was forecast: to reduce the Court of Appeal from five to four members, the King's Bench division from seven to five. The change would not affect present members of the Bench, but would become effective only as vacancies occurred.

Manitoba

CCF "Childishly Inept": The CCF, under its new leader, E. A. Hansford, "has brought opposition to an all-time low in the Manitoba legislature" Premier Stuart Garson charged, branding a want-of-confidence motion "childishly inept, entirely irresponsible . . . based on innuendo and vague suspicions." If it were not for L. St. George Stubbs, Winnipeg Independent, "we would have no opposition at all in the House," Garson declared. He specifically denied government intereference in University of Manitoba affairs, in connection with the recent resignation of Dr. A. W. Trueman, as University president. Hansford this session took over the CCF leadership from S. J. Farmer (The Financial Post, July 5, 1947), though the latter continued as a member of the House.

End Crown's Immunity?: The axiom "The King can do no wrong," might no longer hold true in Manitoba after next year. Legislation now being studied, Attorney - General McLenaghen announced, would abolish the Crown's immunity from litigation, and establish the right of private citizens to sue the Government for redress of wrongs. (Although an innovation in Canada, that right now exists in the United Kingdom and in South Africa).

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Ontario

"Brownouts" Continue: While power consumers seethed, and provincial and municipal Hydro authorities disputed responsibility for last week's "brownouts", one ray of hope illuminated the situation this week. Gatineau and Maclaren power companies announced their deliveries to Ontario would not be further cut, below last week's reduction of 8 million kilowatt hours a week. Premier George A. Drew had been a week end visitor in Quebec City, and reportedly discussed the shortage with Premier Duplessis. Meanwhile, Ontario municipalities were adjusting themselves to a regular schedule of daily switch-pullings, which, if a nuisance, at least would not be an unexpected one. The program might continue for two months, depending on how soon a spring thaw raised water levels in Quebec rivers. Demands for early daylight saving fell generally on deaf ears; engineers said such a step would do little, if anything, to lessen the power consumption peak.

Got Your License Plates: This week was the deadline for obtaining 1948 automobile markers; and officials of the Motor Vehicle Branch, contemplating available figures, braced themselves for a last-minute rush of record proportions. To mid-February only 281,000 sets of license plates, (two plates per car, for the first time in six years) had been issued, against total registrations of 644,512 passenger cars and 142,118 commercial vehicles at Dec. 31 last. The answer, many believed, would have to be an extension of time limit, although police throughout the province are already complaining of the continued over lapping of old and new markers.

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Quebec

"Go Limit" on Housing: The province stood ready to "go the limit" in solving the housing problem, but must "hasten slowly," and avoid rash commitments, Premier Maurice Duplessis answered Liberal Leader Adelard Godbout. The latter had accused the administration of "passing the buck" on housing to the municipalities, credit unions and loan agencies. Duplessis replied that his present bill, guaranteeing government paying of $3.5 millions of interest charges on housing loans, was not a final solution, but an interim measure, until a longer-range program could be drafted. Meanwhile, he insisted, the move would encourage thrift, and "produce hundreds upon hundreds of new homes, if people are willing to follow lessons of work, courage and energy"; would cover house-building to a value of $120 millions.

When opposition members continued their battle against the measure, Duplessis flung the challenge: "If you want an election, stop talking, and we will give it to you."

Divinity Faculty for McGill: McGill University was at last to have a Faculty of Divinity; announced donations of $350,000 already received and $250,000 more pledged, for its endowment. The University, Principal F. Cyril James explained, "is and always will be a nonsectarian institution drawing its staff and student body from many nations and religions . . . but it has long been felt by many of those interested in its welfare and in the welfare of Canada, that it could make an outstanding contribution by enlarging its facilities, to include the teaching of Christian theology."

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New Brunswick

More Legislators Soon: Convening next week (March 2) the Legislature might be sitting for the last time as a 48-seat Chamber. Legislation passed two years ago, provided for four additional members in the next Assembly; and rumors this week hinted that the 40th Legislature (20th since Confederation) might be dissolved after the coming session.

Deferred Car Markets: The motor license season was later here than in most provinces. New 1948 markers went on sale only this week, but would not become valid until April 1. In the interim, all cars must continue to carry their 1947 markers; but officials urged motorists to take out the new ones as soon as possible, to avoid a last-minute rush. Cars purchased in the interim could be licensed, during February, for one-sixth of the regular yearly fee; during March, for one-twelfth.

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Nova Scotia

To Mark Centenary: The province planned to commemorate its century of responsible government, at the opening of the third session of its 20th legislature on March 11 . . . an occasion which would mark the first official appearance of J. A. D. McCurdy, Canadian aviation pioneer, in the role of Lieutenant-Governor. After reading of the speech from the throne, Dr. D. C. Harvey, provincial archivist, would present the province with a tablet offered by the Historic Sites and Monuments Board of Canada, to mark the occasion.

Ahern Spurns Pay Boost: Mayor J. E. Ahern favored higher salaries for Halifax aldermen: "they are constantly on call, and it has been suggested that I have given them too many tasks"; but said he hadn't heard of any definite move to double their $600 pay, as rumored. As regards a suggestion that the mayor's pay be raised from $5,000 to $8,500: "I would not accept an increase if it were offered; although I believe the mayor should receive the top salary at City Hall."

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P. E. Island

New Cabinet Minister: A new face appeared on the treasury benches this week, as the Island's 21st legislature opened its first sesion (Feb. 24.), Hon. Joseph Wilfred Arsenault, Minister without portfolio had won a seat in Third Prince in his first try, last December. A fluent bilingualist, he is a teacher of French at Prince of Wales College, Charlottetown. The Liberal Government of Premier J. Walter Jones faced the House with an increased majority, 24 seats to six held by Progressive Conservatives, as a result of the recent election (The Financial Post, Dec. 20, 1947). Pre-election standing had been Liberals 20, Progressive Conservatives 10. The CCF, routed in the last two elections, was still without representation.

Speed Dieselizing: Arrival of a steam generator railway car at Charlottetown, marked another step in the Dieselizing of CNR service on the Island. First car of its type manufactured in Canada (in the CNR's Moncton shops), will be used to heat a Diesel-hauled passenger train. Two more Diesel locomotives were scheduled to reach the Island soon.

RED DEER BRAND

BIRCH and HARD MAPLE FLOORING

"This name has long been associated with High Grade Hardwood Flooring and Northern Hardwoods; Spruce and Hemlock."

The MUSKOKA WOOD Products, Limited
HUNTSVILLE • ONTARIO

"IN OUR OPINION THE DECLINE IN PRICES HAS ONLY STARTED"

This statement taken from our "Panacea or Panic" advertisement which appeared in this paper on Jan. 3rd. still holds good.

In the interim the industrial and commodity averages declined 15 points.

When we make a statement like this we are not acting blindly — just repeating the indications of the Composite Bank Line.

Why be in the position of having to worry about your Securities? Let a subscription to our Composite Bank Line, the Service with a consistent record, help make your market operations successful.

Full particulars may be obtained by writing or calling

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320 BAY STREET — TORONTO, ONTARIO
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AND DRIVE IT YOURSELF

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NOTE: *To serve more cities and towns, licenses are being granted to qualified local interests to operate as part of the Hertz System. For complete information write Hertz Driv-Ur-Self System, Dept. 628, 218 South Wabash Ave., Chicago 4, Illinois.*

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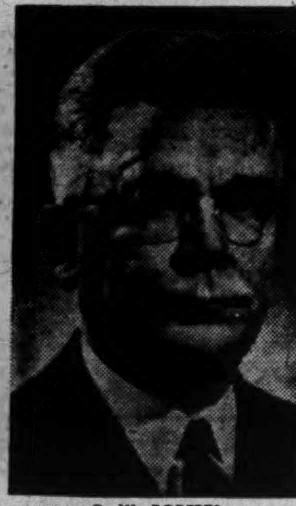
Dominion Drive Yourself Car Company, CALGARY; Cary & Creugh Garage & Drivurself, EDMONTON; Western U-Drive, LETHBRIDGE; Dawson Creek Yellow Cabs Ltd., DAWSON CREEK, B.C.; U-Drive, Ltd., VANCOUVER; Nash Taxi & U-Drive Ltd., WINNIPEG and NORWOOD, Man.; Hillcrest Motors Ltd., HALIFAX; MacLellan's U-Drive Service, TRURO, N.S.; Andy's Service Taxi & U-Drive, FORT WILLIAM; Hertz Drivurself System, Lic., GUELPH; Hertz Drivurself System, Lic., HAMILTON; Hertz Drivurself System, Lic., KINGSTON; Skee's Drivurself, KITCHENER; National Driv-ur-self System, LONDON; United Taxi, OSHAWA; Tilden Drive Yourself Co., OTTAWA; Fraser's Taxi, PEMBROKE, Ont.; Rent A Car Co., PORT ARTHUR; Hertz Drivurself System, Lic., SUDBURY; Hertz Drivurself Stations of Ontario, TORONTO; Yellow Drivurself System, WINDSOR; Tilden Drive Yourself Co., MONTREAL; Moore's Taxi, Ltd., REGINA; Peters Nash Sales Ltd., SYDNEY; Sarnia Car Rental Service, SARNIA; Carmens Car Rentals Ltd., New Toronto.

You can Rent a new Car from HERTZ as easy as A B C

CROWN TRUST OPENS IN LONDON

FRANK R. HUGHES



R. W. ROBERTS

CROWN TRUST COMPANY announces the opening of a branch office in London, Ontario, with Frank R. Hughes as manager. Mr. Hughes is very well known in London and has had a wide experience in Trust Company work. R. W. Roberts, Branch Supervisor, and a former Londoner, will supervise the opening and operation of the new branch.

Crown Trust Company, established in 1897, has its Head Office at 302 Bay Street, Toronto, and other offices at Montreal, Brantford, Windsor, Winnipeg and Calgary.*

CKNW THE *Only* STATION THAT COVERS BOTH HALVES OF THE "VANCOUVER AREA"

KAYMAC GOLD MINES advises that Airquests Ltd. received an extension on balance of option payments, being 50,000 shares at 25 cents payable by June 30 and 50,000 shares at 35 cents payable by Sept. 30. Provided the foregoing option is fully exercised, an additional 50,000 shares are to be taken up at 35 cents by Oct. 31, and, provided foregoing option is fully exercised, a further 50,000 shares are to be taken up by Nov. 30.

CHILDS RED LAKE GOLD MINES has acquired additional mining claims, bringing holdings to 18 claims in Powell twp., Montreal River area, and 11 claims in Baird twp., Red Lake area, Ont.

CONSTRUCTION TRENDS

Landlords in Line for Higher Rents But Costs Curb Rental Housebuilding

By CLIVE CHATTOE

Ottawa has been giving consideration to changes in eviction regulations and rental ceilings for domestic accommodation.

Reports are current that another 10% increase in rents may be permitted by May 1. But by many property owners and managers it is held more probable that regulations will be amended to extend to one-year leases the 10% increase authorized a year ago. A 10% hike was allowed last winter in cases where landlords were prepared to give tenants a two-year lease.

There has been increased pressure recently from landlords, particularly those heating apartments or duplexes and whose costs have risen in some cases 50% or more since rental ceilings were imposed six years ago. These cases are getting sympathetic attention at Ottawa by all reports and some action is widely predicted for spring.

The figure of 10% as a possible upward adjustment in the ceiling has been suggested in discussions, probably because that amount of increase was allowed a year ago to owners ready to protect tenants with a two-year lease. Many landlords refused to give such leases, gambling on the possibility that all controls would be off before termination of the lease. Most of these are now contending they should be given opportunity to cash in on the remaining year of rent control.

These landlords, incidentally, still have the right to take advantage of the old 10% increase on the two-year basis and opinion is said divided in government circles on the question of whether they deserve any particular consideration.

The Government's decontrol program on rentals does contemplate a tapering off rather than a rigid ceiling and rigid set of rules to govern the remaining period. It is widely considered almost certain that relaxations in eviction control are in the offing.

Justice Minister Ilsley soon will introduce the measure which will allow continuance of rental control until March 31, 1949, though there has been no official prediction that it will be continued for the full year.

But whatever is done to free rents, no important upsurge in private housebuilding for rent is expected. New building in that category has been virtually free of ceilings for months but building costs double those of 1939 and maintenance costs at least 40% to 60% up in the same period have kept expansion in this field to the higher rental brackets and to unimportant volume. And that experience probably will be repeated this year.

As for commercial rents, Finance Minister Abbott said in the Commons recently he had no intention of seeking an extension of controls beyond March 31 next. His statement followed protests at the pending move, including some from ranking Liberals.

• • •

Prefab Dealer-Erectors May Number 3,000 in '48

The number of dealers in prefabricated houses in U. S. communities will be substantially greater this year, a survey of 37 leading prefab. home manufacturers discloses.

In the survey, conducted by the Prefabricated Home Manufacturers' Institute from its Washington headquarters, 31 of these companies reported that they market their houses principally through local dealer-erectors. They plan to establish 700 new dealers in 1948 for a 64% increase over the 1,100 dealers authorized to sell their houses in 1947.

On the basis of the survey findings, the Institute estimates the total number of dealer-erectors of prefabricated homes — representing about 80 manufacturers now in production — may be increased this year to 3,000 from 1,800 in 1947.

Dealer-erectors usually are local builders, contractors, realtors or others experienced in housebuilding and located within a 300 to 500-mile radius of the source factories. They erect the house from the factory-made panels, complete the site work and sell the finished dwelling to the home buyer.

Prefabricators who do not market their houses through dealer-erectors also indicated they plan to expand number of outlets this year. Some sell their packaged houses to operative builders, who erect the homes in their own subdivision developments. In other cases, sales are handled by local building material firms, which arrange for erection. As well, in several instances the factory sends the house parts directly to the building site with its own erection crew. But because it is widely held in the industry that "local-experienced erection facilities are necessary to assure proper assembly," direct sales of prefabricated houses to the ultimate buyer are relatively rare.

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Not All New Technique Usable Here — Architect

Canadians should be cautious in swallowing whole all information from United States about new building methods and materials, warned James Govan, Toronto architect in a recent Royal Canadian Institute lecture.

"A lot of new information about building construction soon will be coming from U. S. universities and laboratories. But make sure the new methods and materials are suitable to Canadian conditions."

Some of the positive points made in the lecture:

Coal, oil, gas, electricity and wood shortages in Central Canada and their cost of distribution from the East, West or U. S. indicate a very definite need to improve methods of using them. Construction methods can be combined with better planning of buildings to reduce the size of heating plants 70%.

Few Canadians need to be told that preventable heat loss from buildings has been greatly reduced with development of new insulants and application techniques in the past 25 years. What is very little appreciated, however, is the possibility of orienting streets and buildings to take more advantage of winter sun heat and reduce fuel consumption. Almost nothing has been done in Canada to store sun heat for utilization in cloudy weather. Similarly the potentialities of off-peak electric power to store heat for use during peak hours have not had deserved attention.

Some prefabricating methods and some of the newer types and combinations of materials which have produced fuel economies also have created problems of their own, notably condensation within structures and in some cases on their inside surfaces. This condensation problem makes it imperative that construction methods introduced and safe to use where climatic conditions aren't as severe as in most parts of Canada should be very carefully analyzed before adoption here.

Wide summer-to-winter and day-to-day fluctuation in Canadian temperatures should also make us question the wisdom of depending almost entirely on raising and lowering the air temperatures in buildings in order to control the rate at which we give up our body heat. Body comfort can be maintained by regulating the temperature of the surfaces in a room and thus stimulating the rate at which heat is radiated from or to the body. This is radiant heating and cooling, developed in England 40 years ago but only now coming into wide application.

Increasing use of large glass areas in exterior walls could produce discomfort in those near the glass because of increase in radiation of body heat to the larger cold surface. To offset this, modern windows sometimes have two or even three thicknesses of glass with air spaces between to decrease the rate of heat loss through the windows and raise the inside surface temperature of the glass. Curtains of radiant heat (especially from the top) at the inside of these windows can be provided to offset the loss of body heat to cold glass.

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Your insurance premium is divided three ways. The largest part goes into your own savings fund.* A small part is used to pay its proportionate share of the Company's operating expenses. Another small part is used to help make up the balance for those who die before their savings funds have been built up to the full face value of their policies.

If you yourself die before your savings fund is sufficient to pay the full face value of your policy — then the other policy-holders will likewise contribute the balance needed. If the premium you pay is higher than is necessary, the excess is returned to you by way of dividends.

This is the basic policy of life insurance by which men co-operate mutually to protect their families against the hazards of life.

If you drop out of this co-operative venture then your savings fund is returned to you.

*The exception is "term" insurance where no savings fund is built up.

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since 1869

THE MUTUAL LIFE OF CANADA
HEAD OFFICE
WATERLOO ONTARIO

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VANCOUVER • REGINA • EDMONTON • VICTORIA
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The PORTAGE LA PRAIRIE
MUTUAL INSURANCE COMPANY
PORTAGE LA PRAIRIE, MAN. WINNIPEG, REGINA, EDMONTON

SIXTY-FOURTH ANNUAL REPORT

Balance Sheet as at December 31st, 1947

ASSETS

Real Estate (Head Office Buildings)		$ 10,000.00
INVESTMENTS:		
Bonds and Debentures at Book value (par value $1,462,765.76)	$1,453,058.17	
PLUS: Amount to increase to values approved by Dominion Government	63,920.55	
Market Value—as approved		1,516,978.72
Deposits with Trust Companies for investment		15,000.00
Cash on hand		10,130.49
CASH IN BANKS:		
Canadian Bank of Commerce, Portage la Prairie, Man.	$143,011.20	
Huron & Erie Mortgage Corp., Winnipeg, Manitoba	4,498.36	147,509.56
Interest accrued on investments		11,508.18
Agents' Balances and Premiums uncollected		64,093.74
Unpaid Assessment		9,627.47
Surrender Value of Life Insurance Policies		5,700.26
Admitted Assets		$1,790,548.42
CONTINGENT ASSETS:		
Amount of reserve for unlicensed, unsecured Re-Insurance		$ 31,001.94
Unassessed Premium Notes		926,729.80

LIABILITIES

Unpaid claims in process of adjustment		$ 48,267.32
LESS: Re-Insurance thereon		23,689.97
Unpaid Claims — Net		24,577.35
Reserve of Unearned Premiums (Dominion Government Standard)		302,993.20
Reinsurance Premiums Held as Reserve		171,692.99
Reinsurance Accounts Payable		31,807.54
Sundry Accounts and Accrued Taxes		35,093.62
Liability to Employees' Retirement Fund		39,987.52
Total Liabilities		606,152.32
GENERAL RESERVES:		
Reserve for Contingencies	$ 25,000.00	
Reserve for Future Fluctuation of Investments	125,000.00	
Reserve for unlicensed, unsecured, Re-Insurance	31,001.94	181,001.94
Total Liabilities and Reserve		787,154.26
SURPLUS:		
Unallotted Surplus		1,003,394.16
TOTAL		$1,790,548.42

CERTIFICATE TO POLICYHOLDERS

We certify that we have audited the books, accounts and vouchers of The Portage la Prairie Mutual Insurance Company for the year ended 31st December, 1947. We have obtained all the information and explanations required, and after due consideration, have formed an independent opinion as to the financial position of the Company. In our opinion so formed the Balance Sheet herewith is properly drawn up so as to present a true and correct view of the state of the Company's affairs as at 31st December, 1947, according to the best of our information, the explanations given to us and as shown by the books of the Company. All transactions of the Company that have come under our notice have been within the objects and powers of the Company.

Winnipeg, Canada,
17th January, 1948.

G. B. HARE & CO., C.A.
Auditors.

M. G. TIDSBURY, President E. H. MUIR, Vice-President A. H. THORPE, General Manager A. G. HALL, Asst. Gen. Mgr.

DIRECTORS:
M. G. TIDSBURY
E. H. MUIR
E. D. ALDER, K.C.
JAMES McKENZIE
ARTHUR SULLIVAN, K.C.
J. C. MILLER, K.C.
HON. D. L. CAMPBELL, M.L.A.
JOSEPH TRIMBLE
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Here's How Local Committees Help Jobless Find Right Spot

Canadians in every walk of life have a voice today in the task of placing potential workers in posts for which they are best fitted. Local Employment Committees, operating under the Unemployment Insurance Commission, include representatives of employers of labor, war veterans, agriculture, women's organizations and other groups. This article outlines the functioning of such committees.

In each of 67 communities across Canada a Local Employment Committee is functioning. This means that the people of Canada are being given an opportunity to advise on the operation of an organization created to serve them.

The Unemployment Insurance Act, 1940, provided for the operation, under Commission administration, of an unemployment insurance program and a national system of employment offices. It required employers and employees, as well as the Government, to contribute to a fund from which benefit would be paid in periods of unemployment. It laid down certain general principles which governed administration of the entire program.

How are Local Committees Composed?

The legislation sets up an Insurance Advisory Committee, on which employers and workers have equal representation, to advise the government on insurance matters. It provides for a National Employment Committee, five Regional Employment Committees, and Local Employment Committees where required.

All these employment committees include representatives of employers and employees. Veterans, women and agriculture have been given special representation depending on the Committees' requirements. These committees are advisory bodies without administrative functions, but they have perfect liberty in their fields and can criticize, commend or condemn as they see fit.

Where Are They Located?

The importance and value of the committee system can perhaps best be understood when one gets a picture of the Unemployment Insurance organization as it has developed in Canada. In little more than half a dozen years a network of nearly 300 offices which carry on the business of Unemployment Insurance and the work of the Employment Service has been thrown across Canada.

Local Employment Committees are not established in connection with every office of the Unemployment Insurance Commission. They have thus far been created only where a demand arose.

What Problems Have They?

Now it may be asked what these committees find to do. What is the nature of the problems which they attempt to deal with? Who gives them the problems? Do they originate their own work, or do they depend on the local office to supply them with material to go on with?

A local Employment Committee is representative. Naturally, when a local union selects a man to represent it on the committee, that man is probably fully aware of the views of his union on local employment matters. Similarly, the representative of the Board of Trade or Chamber of Commerce is aware of the viewpoint of employers in that community. The Canadian Legion man understands how the office is regarded by local veterans. If the community is one where women are employed to any great extent, it is probable that they are organized and that their representative will know what they think about the Employment Office.

These representatives may have definite questions which they want the manager to answer. If so, they are at liberty to place them before the meeting and to require an answer provided one is possible. They may feel dissatisfied with certain operations of the employment office. If so, the committee gives them an opportunity to say so.

How Can They Help Officials?

On the other hand, the local office manager may be undecided on certain points of administration and may want the advice of just such a committee before he makes a decision. Consequently, he can use the committee as a sounding board for the community. If there is a really pressing employment problem with which all are familiar and in which all are concerned, it cannot but be helpful for them to discuss it in an atmosphere of cooperation with the hope that a solution may result.

There is still another way, however, in which the Local Employment committee can serve both the office and the community where it is located. With all government organizations, there is a danger that the constant carrying out of written instructions may tend to develop an autocratic atmosphere. The operations of a huge machine cannot always recognize fully the rights of the individual.

It is recognized, however, that the National Employment Service cannot function successfully unless it deals in a sympathetic and just manner with individuals. In order that this may be the case, it is important that a locality where an office is established shall recognize that office as part of the community. The Local Employment Committee can help to develop community spirit.

Do Their Problems Vary?

The nature and extent of problems which Local Employment Committees have dealt with vary with the geographical location and economic conditions of the particular committee. A committee in Nova Scotia has different matters to consider from those which come before a committee in Saskatchewan. There are, however, certain matters with which all committees are concerned.

One of the most pressing is that of the employment of what is now known as the older-age person. This problem exists in some degree everywhere in Canada. It is particularly pressing on the Pacific coast, where climatic conditions have drawn a large number of older workers. Employers in Canada have shown a reluctance to employ persons over 45 years of age even though it can be demonstrated that frequently such persons are just at their peak in efficiency and strength. Local Employment Committees have attacked the problem at various points, and their view appears to be that employers must either be educated to employ older persons, or legislation may be necessary to compel them to do so.

More and more it is becoming apparent that the most valuable gift that can be given to a young worker is the right job. In order to see that he gets the right job, those who understand youth placement realize that his background, inclinations and ambitions must be studied. Local Employment Committees are directing their efforts along these lines.

Can They Help Immigrants?

The employment angle of immigration is another matter which has occupied the attention of some of the Local Employment Committees. Canada has recently opened her gates to admit a number of Polish veterans for agricultural work, as well as workers of certain other countries who have agreed to engage in specified activities. From Great Britain is coming a stream of immigrants under the sponsorship of the Province of Ontario. Finally there is the continuing movement of displaced persons.

All these people are expected to work and want to work. Naturally the National Employment Service figures prominently and actively in their reception and placement, not to speak of their movement from one job to another if such change becomes necessary. And where the National Employment Service is functioning, the counsel and assistance of Local Employment Committees is valuable.

What's Their Contribution to the National Problem?

Local Employment Committees are of direct assistance to the Unemployment Insurance Commission and the Department of Labor because minutes of all their meetings are received at the office of the National Secretary in Ottawa. These minutes are summarized at intervals and placed before the National Employment Committee, an advisory body to the Commission. Perusal of the minutes of committees scattered across the Dominion is of material assistance to the Commission in its administration of the program.

The system of voluntary employment committees adopted in Canada found its inspiration in the British system. In Great Britain stress of war forced abandonment of the system for a time. It has, however, been re-established since the return of peace.

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* * *

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Let the tested, step-by-step procedures outlined in this manual help you to plan, establish and operate a sound, money-saving standard-cost system in your plant or factory. This unusually practical book provides specific methods to use in setting standards for each operational expense. It covers all expenses—direct and indirect labor, maintenance labor and materials, operating supplies, general overhead, fuel, power, etc.—and shows how these expenses may be better controlled. It explains how standard costs aid you in simplifying your cost-accounting procedures—in forecasting your budget—in developing a top-flight supervisory incentive plan fitting the particular needs of your own business organization.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WESTERN TRUST CO. 1947 net profit was $80,327 ($82,607 in 1946). Liabilities to the public on guaranteed account stand at $56,226 as at year end. Advances to estates, trusts and agencies under administration amount to $27,175. Stocks, bonds, debentures and cash on hand have increased from $1,329,599 to $1,379,508.

Certain reserves, which directors considered no longer necessary, were written back to the accounts of origin. In addition to the reserve for mortgage of The Western Realty Co. of $25,000, there were reserves of $80,000 for mortgages and agreements transferred to general reserves, and reserves of $8,881 for bad debts and deferred profits at Regina branch transferred to profit and loss account. The general reserve has been increased to $330,000.

	1947	1946
Liab. to public, etc.*	$117,236	$196,896
Shareholders' equity	1,539,013	1,417,019
*Secured by:		
Mtges. & sls. agree.▲	231,859	252,503
Office furn., etc.	1,771	2,385
Liquid assets♦	1,422,619	1,359,027
Total	1,656,249	1,613,915
♦Incl. bonds and stocks.		
▲Incl. mtge. of wholly owned subsid.		
Estates account	4,243,630	4,059,535
Earned per share	$7.99	$8.22
Paid	6.00	6.00

FROBISHER LTD. as at Oct. 31, 1947, reports $11,775,396 market value of securities equal to $3.78 a share. Excess of current liabilities over current assets, including $281,021 of Ventures advances and $726,040 of bank loans, totalled $1,196,904 reflecting expenditures of $2,022,000 on main holdings in the 14 months ended Dec. 31, 1947.

At Frobisher's directly-owned Connemara mine in Southern Rhodesia, production rate is expected to reach 200 tons daily in the first half of 1946. Ore reserves as at June 30, 1947, totalled 722,000 tons averaging 0.25 oz. gold a ton. At the Kilembe copper-cobalt property in Western Uganda, 2,000 ft. of copper ore is stated to have been exposed in adits averaging approximately 3.5% copper across widths ranging from 20 ft. to more than 100 ft. A further program of diamond drilling and underground development is planned.

As the Black Donald graphite mine will be flooded by a new Madawaska River power project, the mine has been sold to H.E.P.C. The right has been retained to operate the mine until the property is useless due to flooding.

Most important shareholdings as at Oct. 31, 1947, included 1,124,158 shares of Giant Yellowknife, 975,139 shares of New Calumut Mines, 1,027,305 shares of Akaitcho, 584,445 shares of Guayana Mines, 1,504,244 shares of Keno Hill and 102,625 shares of Eureka Corp.

CONS. INCOME ACCOUNT

Years Ended Oct. 31:	1947	♦1946
Divd., int., rec.	$9,460	$17,386
Management fees	8,840	9,074
Less:		
Admin. & gen. exp.	69,186	88,880
Interest	33,631	33,539
Net loss of:		
Connemara	150,693	......
Bl. Donald	55,561	49,630
Net loss & deficit	290,771	145,589

♦General accounts.

CONDENSED CONS. BALANCE SHEET

As at Oct. 31:	1947	■1946
Cash & bullion	$36,125	$328
Accts. rec.	24,165	87,192
Invent. & supplies	152,325	41,783
Total curr. assets	212,615	129,203
Invest. in subs.	......	179,242
Other invests.†	4,026,603	2,939,770
Advances	254,402	460,510
Prep. & def. chgs.	22,855	11,823
Expl. & def. dev.	731,004	423,613
Connemara dev.	......	526,642
Ruth & Lucy int.	156,648	......
Mining props.	372,363	2,400
Bldgs. & equip.*	368,719	216,231
Total assets	6,145,209	4,889,434
Due bank	726,040	442,047
Accts., etc., pay.	310,141	162,264
Total curr. liabs.	1,036,181	604,311
Def. advances	373,338	243,006
Capital stock	5,446,257	4,314,890
Less: Deficit	553,799	263,028
Spec. def.	156,768	9,745
*After depr.	309,135	96,741
†Mkt. value	11,775,396	9,796,238
Deficit work. capital	823,566	475,108

■General balance sheet.

CANADA DRY GINGER ALE, INC. reports net income of the Canadian subsidiary, Canada Dry Ginger Ale, at approximately 16% and 20% of the consolidated net income for the three months ended Dec. 31, 1947 and 1946, respectively. Consolidated net income for the periods was $852,253 and $627,670 respectively.

WHAT
IS
A "SALE"
WORTH
TO YOU?

WE, THE PUBLISHERS of daily newspapers in Ontario's smaller cities, have seen peculiar things happen in advertising, distribution and selling.

For instance, we very frequently see advertisements for a good product appearing in national-distribution publications when in many of our cities the product is not on sale. We are told that the advertiser wants "mass circulation" even when he doesn't have mass distribution. That is wasteful, uneconomic advertising.

We also see aggressive firms sending their salesmen into our territories to sell something that is advertised in metropolitan centres only. We are told that the "slopover" circulation of these perhaps will sell it. Any retail dealer in our cities will tell you what a fallacy THAT is!

We are told very often that smaller Ontario dailies have "too high a milline rate."

This all suggests the question: WHAT IS A SALE WORTH TO YOU?

Obviously the theoretical milline rate in smaller daily newspapers is higher than in large city newspapers. But the latter's ability to sell merchandise in their own market is not theoretical. It is a proven fact. These newspapers ALONE have FULL COVERAGE of their market area. The point is: Do you want anything LESS than FULL COVERAGE in over twenty of Ontario's most prosperous cities?

If any sales manager, agency executive or space buyer wants to know and to understand life and habits in the smaller cities, he has only to apply to any one of the newspapers listed below. Any one of them will gladly take him on a personally-conducted tour of top-notch markets that some advertisers are missing because of an advertising policy which pinches pennies at the expense of sales and is governed by the strange belief that reaching a tenth or a quarter of a market is effective advertising.

ONTARIO
Provincial
DAILIES

BELLEVILLE:
The Ontario Intelligencer
BRANTFORD:
The Expositor
BROCKVILLE:
The Recorder & Times
CHATHAM:
The News
CORNWALL:
The Standard-Freeholder
FORT WILLIAM:
The Times-Journal
GALT:
The Reporter
GUELPH:
The Mercury
KINGSTON:
The Whig-Standard
KIRKLAND LAKE:
Northern Daily News
KITCHENER:
The Record
NIAGARA FALLS:
The Review
NORTH BAY:
The Nugget
OSHAWA:
The Times-Gazette
OWEN SOUND:
The Sun-Times
PETERBOROUGH:
The Examiner
PORT ARTHUR:
The News-Chronicle
ST. CATHARINES:
The Standard
ST. THOMAS:
The Times-Journal
SARNIA:
The Canadian Observer
SAULT STE. MARIE:
The Star
STRATFORD:
The Beacon-Herald
SUDBURY
The Star
TIMMINS:
The Daily Press
WOODSTOCK:
The Sentinel-Review
WELLAND:
PORT COLBORNE
The Tribune

TOTAL CIRCULATION: 268,843

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Inquiries invited

Please address
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MR. GWYNN H. OSLER

Partner in Osler & Hammond who has been elected a member of the Toronto Stock Exchange. *

KIRKLAND LAKE GOLD MINING CO. has declared semi-annual dividend of two cents a share payable May 1 to shareholders of record March 26.

Minority Holders Of Premier Trust Make No Progress

In a stormy, over four-hour annual meeting, minority shareholders of the Premier Trust Co. failed to obtain any concessions from the present management last week. The annual statement and acts and proceedings of directors were approved and directors re-elected.

Attempts were made by minority shareholders, it is reported, as follows:

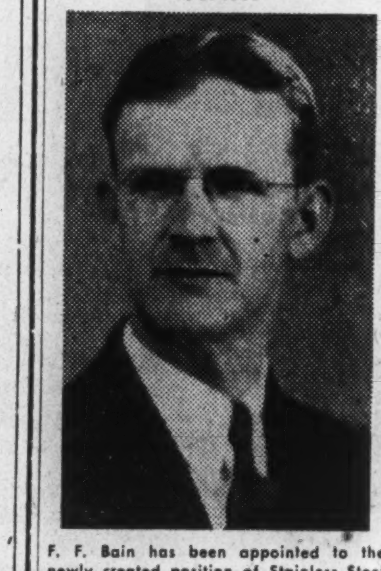
1. To prevent adoption of the company's annual report.
2. To nominate a new man for the Board of Directors.
3. To obtain information as to the ownership of the 757 partly paid shares.
4. To obtain further particulars on the "Brown case."
5. To obtain information on the ownership of the building the company occupies.

The fact that the press was excluded from the meeting was widely noted.

PRESTON EAST DOME MINES has declared quarterly dividend of 1½ cents a share payable April 15 to shareholders of record March 15.

LYNN LAKE NICKEL COPPER MINES has changed its name to Hemisphere Mining Co.

Atlas Expands Stainless Service



F. F. Bain has been appointed to the newly created position of Stainless Steel Service Metallurgist with Atlas Steels Limited, Welland, Ontario, who are expanding their stainless steel production and service. Mr. Bain received his technical education at The Maryland Institute and Johns Hopkins University. He was with the Eastern Rolling Mills Company from 1931 to 1935 as assistant metallurgist. In 1936 he joined Rustless Iron & Steel Corporation at Baltimore, Maryland, and for ten years, devoted his time exclusively to the processing and applications of stainless steels. In 1947 he was chief metallurgist of the Baltimore Castings Corporation and at the same time was retained by Atlas Steels Limited as stainless steel consultant. *

How We Lost $1,155 Millions On Account Balance With U. S.

OTTAWA (Staff)—Buried under a statistical return to the House of Commons last week came the first official estimates of Canada's international balance of payments with United States and other countries for 1947.

The figures are preliminary and have already been slightly amended by publication this week of new revised figures for the Canadian tourist trade. But they reveal for the first time the detail of how Canada came to lose an estimated $1,155 millions on her U. S. current account balance alone, in 1947. The comparable figure for 1946 was minus $603 millions.

Over all, the figures show a favorable balance of $35 millions when our accounts with all other countries are included. The comparable "favorable" balance in 1946 for all countries was $351 millions.

Highlights of the 1947 accounts, with comparable figures for 1946, follow:

Canada's Current Account of International Balance of Payments, 1947
(Millions of Dollars)

	United States 1947	United States 1946	United Kingdom‡ 1947	United Kingdom‡ 1946	Total† 1947	Total† 1946
Receipts						
Exports (adjusted)	1,048	893	753	626	2,728	2,343
War Supplies, Ltd.	13	55	...	...	13	55
Gold	99	96	...	...	99	96
Tourist expend.*	220	214	7	3	231	219
Interest & dividends	36	46	7	7	61	74
Freight & shipping	102	112	98	107	290	287
Inheritances, etc.	26	19	48	45	74	64
All other items	142	140	40	46	197	203
	1,686	1,575	953	834	3,693	3,341
Payments						
Imports (adjusted)	1,952	1,378	181	138	2,536	1,822
Tourist expenditure*	152	131	9	2	167	135
Interest & dividends	274	250	51	54	335	312
Freight & shipping	224	178	28	32	252	210
War expenditure	....	23	...	73	....	122
Inheritances, emigrant funds, etc.	40	31	10	2	50	33
All other items	199	187	57	38	282	249
	2,841	2,178	336	339	3,622	2,883
Current account balance	—1,155	—603	+617	+495	+71	+458
Contributions of official relief	....	....	...	...	—38	—107
Net balance (current account)	—1,155	—603	+617	+495	+33	+351

*These preliminary figures already revised. See article elsewhere in this issue.
†All countries, including overseas and other sterling area countries.
‡Credits with U.K. and sterling area countries include trade financed by drawings of $540 millions in 1946 and $423 millions in 1947 on the Canadian loan to U.K.

A special table has also been prepared to show tentative estimates of Canada's capital and security movements during 1947. Highlight of this table is the information that $274 millions of Canadian securities (net) were redeemed in 1947, of which $219 millions were payable in foreign currencies. Of this latter figure, $183 millions was repaid in the United States. The table follows:

SECURITY MOVEMENT IN CANADA'S INTERNATIONAL ACCOUNTS, 1947
(Millions of dollars)

	All Countries	U.K. & Sterling Area	Other Overseas Countries	United States(1)
Redemptions of Canadian Securities (less new issues)				
Issues payable in foreign currencies	—219	—36	..	—183
Issues payable in Canadian dollars	—55	—7	—8	—40
Total	—274	—43	—8	—223
Net repurchases of outstanding Canadian securities	—17	—8	..	—9
Redemption and sales of U. S. and foreign securities	+13	..	..	+13
Repayments on 1942 loan to U. K.	+104	+104	..	..
All other capital movements (2)	+35	+18	—36	+53
Total	—139	+71	—44	—166

(1) Including some transactions on account of other overseas countries.
(2) Including currency adjustments and changes in nonresident balances in Canada.

A final tabulation shows the combined result of both capital and current account changes during 1947:

TENTATIVE ESTIMATES OF CANADA'S INTERNATIONAL ACCOUNTS, 1947
(Millions of dollars)

	All Countries	U.K. & Sterling Area	Other Overseas Countries	United States
Current Account				
Current balance (including official relief)	+71	+857	+369	—1,155
Contributions of official relief	—38	...	—38	....
Current balances (excluding official relief)	+33	+857	+331	—1,155
Capital Account				
Loan to the U.K. and net export credits	—563	—423	—140	....
Other capital movements†	—139	+71	—44	—166
Gold subscription to International Monetary Fund	—74	..	..	—74
Net receipts of convertible exchange from overseas countries	..	—505	—147	+652
Decline in official liquid reserves	+743	..	..	+743
	—33	—857	—331	+1,155

†See table above.

'Complete' Price Fixing By Dental Firms Charged

Eighteen firms representing the dental trade from coast to coast went on trial in Toronto this week on charges of conspiracy in restraint of trade. The charges were laid under the Combines Investigation Act.

Outlining the case for the Crown, D. L. McCarthy alleged against the firms:

> "The most perfect system of price-fixing possible to conceive";
>
> "A complete picture of price-fixing over 18 years."

The 18 firms charged — 11 of them dealers and the other seven manufacturers — are members of the Canadian Dental Trade Association.

They are:

Ash Temple Co., Equipment Manufacturing Co., B. C. Supply Co., Maritime Dental Supply Co., Dominion Dental Supply Co., Goldsmith Bros. Smelting and Refining Co., Cooke Waite Laboratories Ltd., S. S. White Co. of Canada, Denco of Canada, Ltd., Denco of Ontario, Ltd., Denco Eastern, Western and Alberta Ltd., National Refining Co., Patterson and Patterson Inc., L. D. Caulk Co. of Canada, Novocol Chemical Manufacturing Co. of Canada, and Williams Gold Refining Co. of Canada.

The trial is expected to last about six weeks.

RCMP Seized Documents

Evidence, Crown counsel told the court at opening sessions this week, was based mostly on about 1,000 documents claimed to have been seized by the RCMP from the accused firms.

These firms, Mr. McCarthy said, agreed on the price dentists may pay for their materials and from whom they must buy, and thereby controlled the bulk of the trade, estimated at an annual $5 to $6 millions.

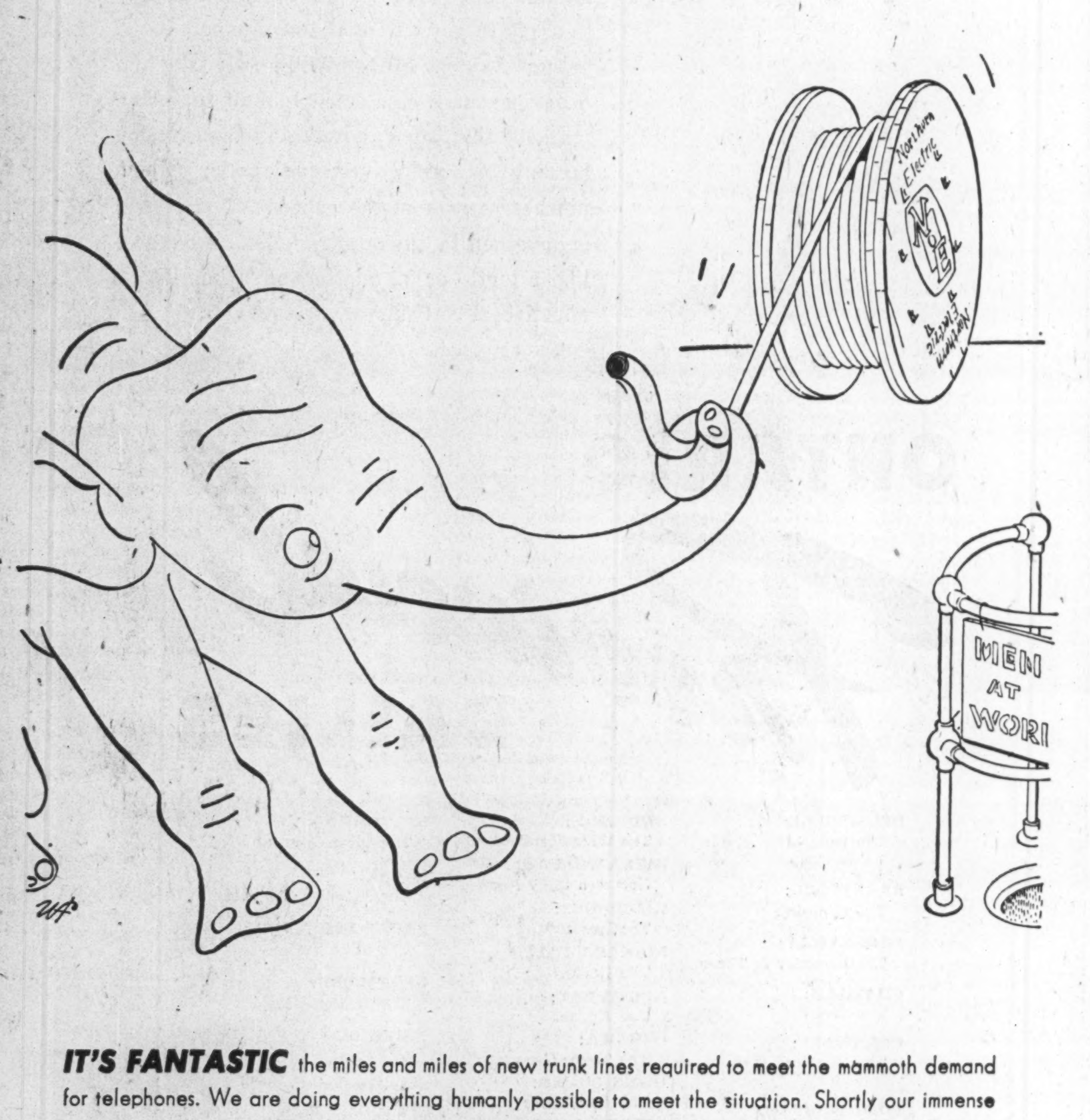
The association, he said, had compiled a universal price book in which was laid down in extreme detail prices at which every article or material should be sold.

Jobbing, or selling to members outside the association, was "a heinous crime" in the eyes of the association and was governed by a jobbing resolution, which drove dealers outside the association, into getting supplies from those who were not members of the American Dental Trade Association.

Mr. McCarthy alleged, that the cost of repairing a dentist's chair was fixed by the association, as well as everything in his office from his appointment book to his X-ray machine.

Indicating the lines of prosecution, Mr. McCarthy said:

"The statute under which the charges are brought was passed to permit free competition in production, manufacture, purchase, barter and sale, and so that there will not be combinations interfering with free trade or commerce in this country. We must look at the scale of business undertaken by the Association, its scope, its devices for execution, its refusal to deal with others without reasonable cause."



IT'S FANTASTIC the miles and miles of new trunk lines required to meet the mammoth demand for telephones. We are doing everything humanly possible to meet the situation. Shortly our immense new plant at Lachine, Que., will be turning out huge quantities of wires and cables of all types. Northern Electric, Canada's largest makers of telephone equipment.

Varsity Gives Markets Course

University of Toronto is selling a parcel of "Know-How" on current marketing problems.

It consists of a series of six extension lectures, held on Wednesdays at 8 p.m., beginning March 10 and ending April 14. The place: auditorium of the economics building, 273 Bloor St.

"The student will learn," an advance folder promises, "about important new developments in marketing management, hear actual case histories, and acquire a knowledge of applied marketing principles. To promote clearer understanding of marketing procedure, question periods will follow each lecture."

Following is the lecture schedule arranged by the Department of Political Economy, in co-operation with the Advertising and Sales Club of Toronto:

March 10—C. A. Massey, president, Lever Bros. Ltd., "Canada's Domestic Markets." Chairman: S. M. Philpott.

March 17—Prof. Walter A. Thompson, chairman of the economics department, University of Western Ontario, "Economic Influences in Marketing," Chairman: G. Harry Sheppard.

March 24—Dr. Vergil Reed, associate director of research, J. Walter Thompson Co., "Getting the Most out of Marketing Research", Chairman: D. M. Gowdy.

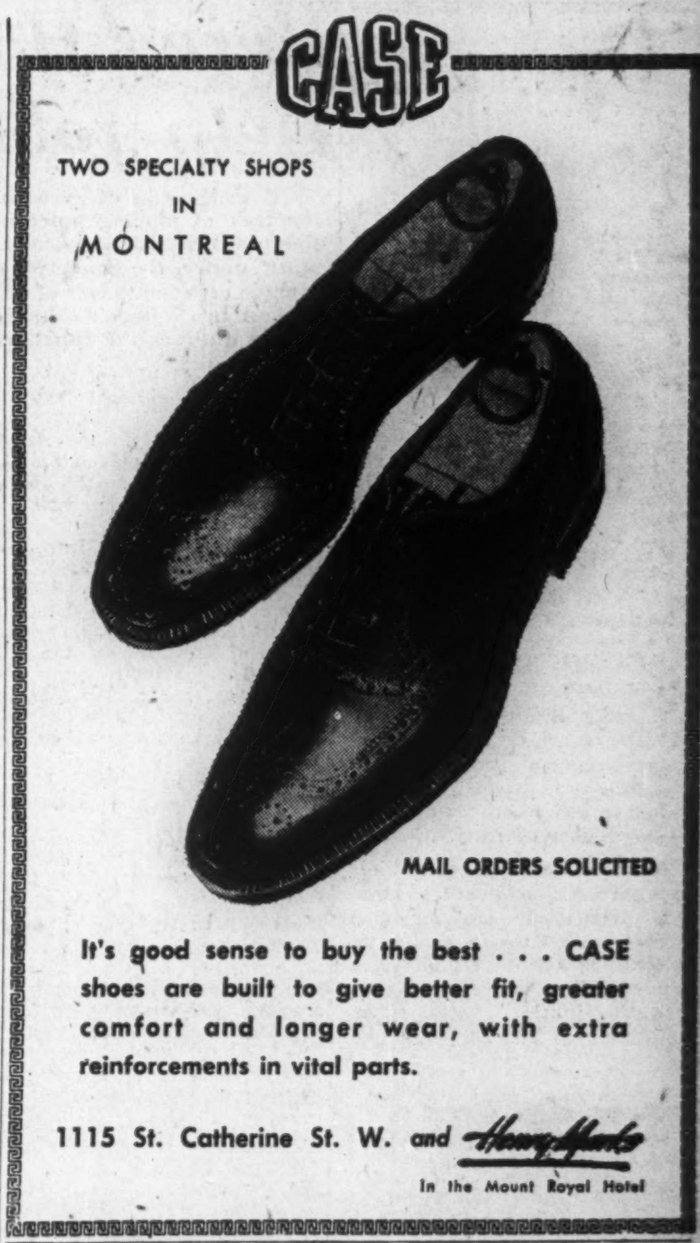
March 31—Walter Washburn, Young and Rubicam, "Setting Up Trading Areas." Chairman, E. G. Burton.

April 7—G. A. Newman, assistant director, Export Branch, Department of Trade and Commerce, "Promotion for Export Markets." Chairman: John Martin.

April 14—H. V. Lush, president of Canadian Exporter's Association, "Canada's Export Markets." Chairman: Lee Trenholm.

Series registration is open to advertising, selling, and sales promotion executives, as well as those planning marketing careers. A special enrollment fee of $3 per person is available to groups of five or more. Individual enrollments for the entire series are $5. Admission to single lectures $1 per person.

TOWN OF CAMROSE, Alta., has sold two debenture issues to Tanner & Co., Calgary. One consists of $50,000 one to 10 year 3¼% and 11 to 20 year 3¾% serial debentures. The other consists of $70,000 one to 10 year 3¼%, 11 to 20 year 3¾% and 21 to 30 year 4% serial debentures. Price was $98.45.



TWO SPECIALTY SHOPS
IN
MONTREAL

MAIL ORDERS SOLICITED

It's good sense to buy the best . . . CASE shoes are built to give better fit, greater comfort and longer wear, with extra reinforcements in vital parts.

1115 St. Catherine St. W. and Henry Morgan's
In the Mount Royal Hotel

COMPANY REPORTS

GENERAL TRUST OF CANADA gross income increased by over $25,500 to $309,139 in 1947. After deducting operating expenses, transferring $10,000 to investment depreciation and providing $39,914 to taxes, net profit was 9.03% higher at $80,380.

Total assets were $11,013,336 higher at $128,075,525 and guaranteed accounts at $3,878,455 were up from $3,041,508 at end of 1946. Estate, trust and agency account was $72,709,816 ($66,616,710), while safe custody account totalled $49,897,452 ($46,756,885).

President Senator Raymond states that on Dec. 31, 1938, after 10 years of operations, surplus account was $196,636; it has since increased by $96,636, and, with amount carried to reserve, now amounts to $292,972.

The assets of the company are invested for 21% in satisfactory mortgage loans, for 10% in good preferred stocks, to extent of 54% in easily negotiable bonds, and for the balance, in advances to estates and trusts under its management, President Raymond adds.

	1947	1946
Liab. to public, etc.*	$4,070,283	$3,156,783
Shareholders' equity	1,397,973	1,372,583
*Secured by:		
Mtges. & other assets†	5,468,256	4,329,388
†Incl. bonds and stocks.		
Estates account	72,709,816	66,616,710
Safe custody acct.	49,897,452	46,756,885
Earned per pref. share	$7.31	$6.70
Paid	5.00	5.00

FIRE INSURANCE CO OF CANADA reports net premiums in 1947 at $463,990 ($392,280 in 1946). Net profits were lower at $67,489 ($124,898). Loss ratio was lower at 42.30%. Surplus and assets showed increases.

	1947	1946
Net premiums	$463,990	$392,280
Int. divds.	55,733	58,700
Claims paid	196,219	208,032
Net profit	67,489	124,898
Pd. Sh'holders	30,000	30,000
Unearned prem. res.	382,178	338,294
Total assets	2,056,825	1,957,681
Surplus	699,288	675,356
Loss ratio	42.30	33.83

CANADIAN REFRACTORIES LIMITED

Balance Sheet as at December 31st, 1947

ASSETS

CURRENT ASSETS:			
Cash		$ 6,666.19	
Accounts receivable		386,795.48	
Inventories of quarried and crushed ore, materials in process, finished products, plant stores and resale materials, as determined and certified by the management and valued at cost, less reserve of $20,784.29		676,816.03	
Prepaid expenses		3,721.80	$1,073,999.50
SUNDRY ASSETS:			
Investment in capital stock of Dolomite Refractories Limited		$ 48,900.00	
Refundable portion of excess profits tax		12,001.98	
Patent expenses, less amounts written off		8,987.84	
Expenditure on stripping quarry, less amounts written off		12,940.02	82,829.84
FIXED ASSETS:			
Land, timber and ore reserves—at cost	$ 225,750.17		
Less: Reserve for depletion	113,700.35	$ 112,049.82	
Buildings, machinery and equipment, railway right of way, locomotives, telephone and high tension lines, furniture and fixtures—at cost	$1,972,939.82		
Less: Reserve for depreciation	1,208,686.45	764,253.37	
Construction work in process		221,268.75	1,097,571.94
			$2,254,401.28

LIABILITIES

CURRENT LIABILITIES:			
Bank loan—secured		$ 178,000.00	
Instalment of term loan falling due 2nd July, 1948		60,000.00	
Accounts payable and accrued expenses		222,374.33	
Miscellaneous taxes payable		12,440.93	
Reserve for income and excess profits taxes		40,002.06	$ 512,817.32
DEFERRED LIABILITY:			
Bank term loan due 1949-54			480,000.00
CAPITAL STOCK AND SURPLUS:			
Capital stock—			
Authorized—			
5,000 4½% cumulative redeemable first preferred shares of $100 each		$ 500,000.00	
10,000 6% non-cumulative redeemable preferred shares of $100 each		1,000,000.00	
10,000 common shares without nominal or par value		—	
Issued and fully paid—			
2,200 4½% first preferred shares		$ 220,000.00	
6,000 6% preferred shares	$ 600,000.00		
Less: Redeemed and held for cancellation — 2,000 shares	200,000.00	400,000.00	
5,000 common shares		46,832.04	
		$ 666,832.04	
Earned surplus, as per attached statement		594,751.92	1,261,583.96
			$2,254,401.28

Statement of Profit and Loss
For the Year Ended 31st December, 1947

Operating profit before providing for the following charges		$ 312,336.22
Executive officers' salaries	26,720.00	
Directors' fees	125.00	
Legal expenses	1,227.91	
Depreciation of fixed assets	98,051.30	126,124.21
		186,212.01
Provision for income and excess profits taxes		70,000.00
Net profit for the year		$ 116,212.01

Statement of Earned Surplus
For the Year Ended 31st December, 1947

Balance—31st December, 1946	$ 488,439.91
Net profit for the year	116,212.01
	$ 604,651.92
Dividends paid on 4½% preferred shares	9,900.00
Balance—31st December, 1947	$ 594,751.92

APPROVED ON BEHALF OF THE BOARD { F. B. KILBOURN / N. P. PITT } Directors

'Operation Canada' Saves U. S. Dollars

Growing Surgical Supply Firm Also in Export Market

The vision, energy and practical knowledge of a one-time Swiss immigrant have in the past 10 years given Canada an important new industry, removed its dependence on imports for operating room equipment, built up an export market. Here's the story of Dr. Jules Soltermann and Surgical Supplies (Canada).

BY CLAUDE TAYLOR

Canada's growing economic self-sufficiency is penetrating the operating rooms of her hospitals. More and more, the precision instruments and modern equipment are coming out of a Canadian factory, rather than from Europe's traditional centres and the mass production lines of US plants.

DR. SOLTERMANN

Here's what has happened:

Prior to 1936 Canada's hospitals were about 90% dependent on imports of German-made operating equipment and supplies. Today, however, 75% to 80% of the wide range of major equipment is Canadian made—in fact complete operating room units are now being manufactured in Toronto at about $15,000 per unit.

In the 12-year span—1936 to 1948—Canada has emerged almost independent of European imports. It is now an exporter in the field having established a steady trade with South America and Mexico and already marketed about $1 million in surgical supplies and instruments in war-ravaged Europe through Canadian United Allied Relief Fund and supervised by the Red Cross.

Exports of dental and surgical supplies from Canada in first 11 months of 1947 totalled $902,869. Of this export business Poland purchased $464,665; China $106,472; Yugoslavia, $157,898; Czechoslovakia, $72,742; United States, $28,412.

The flow of surgical instruments from overseas points has now slowed down to a trickle. Only $98,012 of supplies were imported from the United Kingdom, $30,627 from Sweden and nominal amounts from other European points in the first 10 months of 1947. Europe is not expected to be a serious threat to the export field for at least the next three to four years due to extreme shortage of raw materials and its own dire needs.

Progress in Canadian manufacture and introduction of domestically made surgical supplies is perhaps due more to a one-time immigrant than to any other person. When Dr. Jules Soltermann, graduate surgeon, 1923 class, Berne University, Switzerland, came to Canada he wanted to practice his profession. Short of capital, knowing little English and unable to follow his chosen work immediately due to Canadian medical requirements, Soltermann was forced to take a job as a farmhand. He later graduated to a "swamper" on the railroad and then acted as a representative of European surgical instrument manufacturers.

By 1933, in the depths of the depression, Soltermann used his "stake" of $500 and knowledge gained from his uncle's surgical supplies factory in Switzerland, to pioneer the instrument field. His first assistant was Paul Aldwyn, another Swiss, who today is superintendent of Surgical Supplies (Canada). Dr. Soltermann is its general manager.

Canada's physicians and surgeons have found Canadian-made surgical supplies and equipment to be as delicately balanced, efficient and practical as the precisioned instruments formerly turned out by Europe's craftsmen. However, introduction of home-made instruments has been pretty well an uphill struggle and a battle overcoming personal preference for "old-established name products."

The unprecedented wave of new hospital construction in Canada in the past three years has not only strained the manufacturing facilities of the surgical instrument trade in Canada, but has steadily boosted the drain of U. S. dollars on American duty-free imports. Canada imported approximately $2.6 millions of duty-free surgical instruments from the U. S. in the first 10 months of 1947, and some $977,000 in operating room equipment in same period.

Here is the growth in hospital construction as reflected in construction awards compiled by Maclean Building Reports division of Hugh C. Maclean publications.

Year	Awards	Contract Values
1945	173	$22,061,300
1946	109	23,863,700
1947	148	40,298,900

Supplying Canada's hospitals has become big business. Currently it takes about $5 millions annually to replace worn-out operating room equipment and surgical supplies. At the rate of building expansion it will take several millions more to equip new wings and entirely new units as each institution may utilize several operating theatres. There appears to be more than a possibility that Canada will share in the Marshall Plan for Europe as the hospitals overseas need in the neighborhood of $15 to $25 millions in operating equipment.

The Canadian surgical supply trade is now divided into two distinct groups.

1. Surgical Supplies (Canada)—manufacturers of supplies and equipment.
2. A select number of wholesalers and distributors handling the products of American manufacturers mainly; excluding the pharmaceutical trade.

Lowering of tariff restrictions in the United States would probably open a $2 to $5 million market annually for Canadian-made surgical supplies and instruments. Present tariff rates range from about 40% to 50% on jobber sale price, a prohibitive barrier against Canadian-made goods.

Future Demand

The outlook for Canadian-made goods appears exceedingly bright—both for the manufacturer and the medical profession. The modern building, containing 40,000 sq. ft. of manufacturing space, erected in 1947, is already too small for the company's steadily expanding sales volume. A new line just being introduced is blood bank equipment. As a temporary measure to meet potential European business and Canadian expansion—if they materialize this year—the company is considering plans of jobbing out a fair portion of its manufacturing to an outside firm.

Dr. Soltermann, recently arrived home from an extensive trip to Europe, found hospitals in some 17 countries in Central Europe in pitiful condition. He feels it will take some $15 to $25 millions to re-equip the institutions that were stripped down to the plumbing during occupation periods. He cited Czechoslovakia's 350 to 400 hospitals as a good example of having only the barest of operating equipment. Hospitals in other countries are performing surgery under the crudest conditions.

Sales of Surgical Supplies (Canada) have showed marked increases in the latter years with volume in 1946 about 50% above 1945 turnover and 1947 business about 33 1/3% higher than the preceding year. Development of the export business this year is expected to result in an all-time volume. Aid to Europe through the Marshall Plan would be of tremendous importance to Surgical Supplies (Canada) as Soltermann came back to Canada with potential orders for at least 150 complete operating room units at $15,000 per unit.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

FIDELITY LIFE ASSURANCE CO. with head office at Regina Sask., at the end of 1947 had $17.2 millions of life insurance and annuities in force and $3.1 millions of assets.

New insurance written during the year, including increases and revivals was almost $3.4 millions, $3.5 millions in 1946.

Income was higher, both premiums and investment income contributing to the gain, and gross rate of interest earned was 4.47%, (4% in 1946. The mortality ratio in 1947 was 37.53% of expected, compared with 48.38% in 1946. Like other companies, the Fidelity reports an increase in policies surrendered for cash but the total is moderate in relation to the volume of business and the age of the company. Investments in Dominion bonds represent 37.07% of total assets. Comparative figures from the annual statement follow.

	1947	1946
Insurance in force	$17,253,379	$15,684,780
New insurance	3,388,504	3,517,278
Receipts	610,420	562,816
Premiums	459,441	406,142
Invest. income	125,649	104,291
Policy payments	145,930	150,214
Exps., taxes, etc.	181,832	161,950
Sh'holders divds.	4,892	4,975
Liabs. to p'holders	2,655,981	2,387,969
Other liabs.	24,475	21,178
Liabs. to sh'holders	127,758	128,597
Sp. reserves	191,094	189,755
Total assets	3,175,071	2,907,810
Surplus unallotted	175,762	180,711
Interest earned	4.47%	4%

INDUSTRIAL LIFE INSURANCE CO. with head office in Quebec City, reports a gain of $20.8 millions in business in force, total on Dec. 31 being $133 millions. New insurance effected during the year totaled $32.3 millions.

Receipts for the year, at $4.4 millions, included $3,794,948 premiums. Gross rate of interest earned on invested assets was 4.60% (4.50% in 1946).

Payments to policyholders totalled $617,569 ($495,740 in 1946). Of the total, death claims were $287,460; matured endowments $38,627; profits and guaranteed dividends $85,273; surrender values $171,450; annuities and other payments $34,758. Since its foundation the company has paid $5.2 millions under its insurance contracts. Assets rose $2.2 millions to $11.7 millions.

The company operates in Quebec and eastern Ontario. It has bought a site for a new office building and construction may begin early in 1949.

Besides life insurance the company also writes group pension and accident and sickness insurance. Actuarial liability of the group pension department at the year end was $763,029. Premium income for accident and sickness business in 1947 from this department was $12,406.

Important figures from the statement with comparisons follow.

	1947	1946
Ins. in force	$133,047,780	$112,228,995
New insurance	32,321,616	30,098,415
Total receipts	4,480,836	3,837,405
Policy payments	617,569	495,740
Liabs. to p'holders	9,971,277	8,137,318
Other liabs.	54,826	126,041
Sp. reserves	1,215,653	790,152
Liabs. to s'holders	141,120	141,120
Total assets	11,702,880	9,464,628
Surplus	320,000	270,000
Int. earned	4.60%	4.50%

EASTERN CANADA SAVINGS & LOAN CO. 1947 net profit was $96,358 ($63,027 in 1946). Loans secured by mortgages, agreements for sale, etc., have increased to $9,144,398. During the year loans were made amounting to $3,660,632 ($2,902,066 in 1946). Repayments were $1,517,088 ($1,508,233 in 1946), showing a net gain of $2,143,544. ($1,393,833).

The issued and paid-up capital stock of the company was increased to $1 million during the year. New shares were offered at $120 a share to shareholders in the ratio of one new share for each three shares held. All these shares were taken up.

The special tax fund of $45,000 for excess profits tax, set up pending settlement of company's base, has been transferred to reserve on notice of reasonable settlement. The sum of $5,000 has also been transferred from profits and loss to reserve as well as premium of $50,000 received on sale of new shares. This increases the reserve fund of the company from $450,000 to $550,000.

	1947	1946
Liab. to public. etc.*	$8,468,552	$6,969,887
Shareholders' equity	1,600,813	1,229,771
*Secured by:		
Mtges. & sls. agree.	9,139,781	6,995,753
Realty for sale	......	3,300
Office premises	35,000	36,699
Liquid assets‡	894,584	1,163,906
Total	10,069,365	8,199,658
‡Includes bonds and stocks.		
Earned per share	†$11.86	$8.40
Paid	6.00 + 1.00	6.00

†Based on average capital outstanding during year.

RAILWAY EQUIPMENT

of the finest quality at very

EXPERIENCE, progressive methods and a modern plant enable us to produce, for domestic or foreign use, and at the lowest possible cost, railroad rolling stock of every description—bus, truck and automobile bodies—air dump and industrial cars of every kind—steel pressings and forgings, steel and light alloy aircraft forgings.

NATIONAL STEEL CAR
HEAD OFFICE HAMILTON ONTARIO Corporation Limited SALES OFFICE MONTREAL QUEBEC
BUILDERS OF TRANSPORT FOR CANADA

CHARTERED TRUST SERVICES
- Executor of Wills
- Administrator of Estates
- Trustee
- Investment Management
- Real Estate Management
- Transfer Agent and Registrar
- Collection Agent

CHARTERED TRUST
AND EXECUTOR COMPANY
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Canada's Most Versatile Tanners

FINE sheep and goat leathers . . fancy and embossed leathers, Shearlings, dyed lamb and Mouton Fur.

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NEW TORONTO
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in
Time, Motion and Methods Study
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Cost, Production, and Budgetary Controls
Sales, Distribution and Markets
Office Systems
Surveys of Operations
●
J. D. WOODS & GORDON Limited
15 Wellington St. W., Toronto, Canada
MANAGEMENT CONSULTANTS

TO ADVERTISERS WHO SAY:

"Our problem is different"

EXPERIENCE in a wide variety of fields is valuable to an advertising agency and its clients.

But it isn't nearly so valuable as the ability to approach a new problem objectively . . . to analyze it correctly and to come up with an answer that makes advertising sell more goods more economically.

The following clients of Young & Rubicam represent a varied pattern of Canadian Business. Their advertising represents a diversity of problems, a gamut of original solutions.

AUTOMOTIVE
The Packard Motor Car Company of Canada Ltd.

BEVERAGES
The Borden Company, Limited — Borden's Instant Coffee.
Fry-Cadbury Ltd. — Fry's Breakfast Cocoa.

BUILDING PRODUCTS
International Fibre Board Limited — TEN/TEST Insulating Board, TEN/TEST Insulating Products and I.P. Hardwood Plywoods.
Masonite Company of Canada Ltd. — Masonite Presdwoods.

CANDY
Beech-Nut Company of Canada Limited — Beech-Nut Fruit Drops and Beech-Nut Cough Drops.
Fry-Cadbury Ltd. — Cadbury's Dairy Milk Chocolate and Cadbury's Caramilk.
Life Savers Limited — Life Savers Mints, Life Savers Fruit and Candy Drops.

CLEANERS
The Best Foods (Canadian) Ltd. — 2 in 1 Shoe Polish, 2 in 1 Floor Wax and Shinola Floor Wax.
The Drackett Company — Drāno and Windex.

CONTAINERS
American Can Company — Metal, fibre and composite cans for all purposes.

COSMETICS
Northam Warren Limited — Cutex and Odorono.
Vita-Ray (Canada) Ltd. — Vita-Ray Cosmetics.
Whitehall Pharmacal (Canada) Ltd. — Edna Wallace Hopper, Louis Philippe Cosmetics, Neet Deodorant and Neet Depilatory.

DRUG AND MEDICAL SUPPLIES
Johnson & Johnson Limited — Johnson's Baby Powder, Baby Soap, Baby Cream, Baby Oil and Baby Lotion; BAND-AID Adhesive Bandages, Johnson & Johnson Surgical Dressings and First Aid Products, Ethicon Sutures and Rapid-Flo Milk Filter Disks.
Personal Products Limited — Modess and Meds, Modess Belts and Vemo Powder.
Tek Tooth Brushes and Hughes Personal Brushes.
Sterling Drug (Canadian) Ltd., Centaur Division — Castoria and Mollé Brushless Shaving Cream.
Whitehall Pharmacal (Canada) Ltd. — Anacin, BiSoDol, Heet and Kolynos.

FOODS
The Best Foods (Canadian) Ltd. — Hellman's Blue Ribbon and Best Foods Mayonnaise Products.
Birds Eye Foods (Canada) Ltd. — Birds Eye Frosted Foods.
The Borden Company, Limited — Borden's Milk and Ice Cream, Eagle Brand Sweetened Condensed Milk, Evaporated Milk, Malted Milk, Cheeses, Klim, Milkstock, Trumilk, Trucream and Powdered Lemon Juice.

FOODS (continued)
General Seafoods Ltd. — 40-Fathom Seafoods and Fishblox (Mink and Fox Food).
Home Products International Limited — Chef-Boy-Ar-Dee Spaghetti Dinner, Chef-Boy-Ar-Dee Ravioli and Chef-Boy-Ar-Dee Sauces.
Robin Hood Flour Mills Limited — Robin Hood Flour and Robin Hood Oats.

HOUSE FURNISHINGS AND EQUIPMENT
Bissell Carpet Sweeper Company, Ltd. — Bissell Carpet Sweepers.
Singer Sewing Machine Company — Singer Sewing Machines and Related Products.

HOUSEHOLD APPLIANCES
Motor Wheel Corporation — Duo-Therm Fuel Oil and Gas Appliances.
Canadian Marconi Co. — Marconi Featherline Irons.

LIFE INSURANCE
Metropolitan Life Insurance Company

OFFICE EQUIPMENT
Dictaphone Corporation Limited — Dictating and Recording Machines.
Royal Typewriter Company, Limited — Royal Standard and Portable Typewriters.

PHARMACEUTICALS
Parke, Davis & Company, Ltd. — Pharmaceutical and Biological Products.
John Wyeth & Brother (Canada) Limited — Pharmaceutical Products.

PHOTOGRAPHIC MATERIALS
Ansco of Canada Ltd. — Photographic Materials and Equipment.

PUBLISHERS
Time, Inc. — Time International.

SILVER
The International Silver Company of Canada Limited — International Sterling Silver, 1847 Rogers Bros. and Wm. Rogers & Son Silverplate.

TEXTILES, FASHIONS, APPAREL
Canadian Celanese Limited — Yarns and Fabrics.
Cluett, Peabody & Co. of Canada, Limited — Arrow Shirts, Ties, Handkerchiefs, Underwear, Pajamas, Boys' Shirts and Sport Shirts.
"Sanforized" Shrinkage Control.

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WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Steel Prefab Houses

Delaware firm has applied techniques of auto assembly line to production of steel prefabricated homes, turning out a dwelling every 12 minutes. Type of construction resembles trailer-truck designs, with lightweight steel sheets made rigid by vertical and horizontal tension bars. Houses, with as many as three bedrooms, can be erected in 11 days with local labor.

• • •

Glass Block Sealer

Wintertime damage to glass block walls as a result of water absorption into cracks which develop between ordinary mortar and the nonporous block is said to be prevented by new sealing compound. This Cincinnati-made sealant can be applied to the mortar with a caulking gun or, after thinning, with a brush; froms a rubbery waterproof film, in white or in colors, that expands or contracts with both the glass and mortar.

• • •

Coal-mining Machine

Pittsburgh-made machine claims to double a miner's daily output. Operating continuously, it is said to drill, cut, blast, and load coal in one operation.

• • •

"Gun Type" Oil Burner

Ability to burn Grade No. 3 catalytic stock fuel oil is cited as one of the prime advantages of new automatic "gun-type" oil burner, intended for installation in either old or new furnaces. U. S. maker says individual controls for fuel and primary and secondary air inlets enable fuel-air balance to be maintained, regardless of fuel being used, whether it be straight-run distillate or the catalytic stock.

• • •

Anti-fogging Agent

Unpatented Du Pont formula is available to all manufacturers who wish to market cloth treated with new anti-fogging agent. Agent is applied by wiping glass with an impregnated cloth, and each application lasts several hours. Effectiveness of the agent was tested on goggles worn in factory steam rooms, on car windows, and in other ways.

• • •

Reorder-playback Ad

"AudiAd" plays selling messages of five second's to a minute's duration—at the point of sale. Continuous loop of magnetic tape will replay the story without rewinding or setting. Can be started automatically by breaking a beam of light, by dropping a coin into a vending machine, or by pushing a button. Messages can be changed by erasing the tape and recording a new talk. Machine can also be had as a playback unit alone.

• • •

Electric Sheet

Electric sheet appearing in U. S. market this winter enables housewives to make their own electric blankets, comforts, or quilts. Seventeen buttonholes around the sheet's outer hem match buttons to be sewn to any selected top covering. Alternatively, sheet can be spread on top of regular bed sheets.

• • •

Malleable Stainless Steel

New stainless steel can be easily machined, rolled, and hammered, according to Pennsylvania maker. Previously stainless steel, it is explained, has not been malleable; hence restricted to cast forms.

• • •

Low-pressure Tire

"Mobil Air Cushion" is U. S.-made automobile tire requiring only 24 pounds of air pressure. Advantages laimed are: runs cooler than conventional tires, makes for easier car handling; provides better and safer steering. Tire is designed for wide-base rims, but can be installed on most conventional auto rims.

• • •

Auto Radio Speaker

Automotive radio speaker is made to fit on the package deck behind rear seat, secured by two self-tapping screws. This plastic-encased five-inch speaker comes equipped with 17-foot hook-up wire.

• • •

Fire-resistant Paint

"Albi-R," a fire-resistant paint, puffs up like a toasted marshmallow when fire hits it, thus forming an insulating blanket that protects structure. Resembling ordinary white paint in appearance, it is applied as a first coat; regular paint can then be applied over it. Connecticut maker is putting the product on sale at $5.95 a gallon through 1,100 retail outlets in United States.

• • •

Marking Brush

Pocket fountain brush for marking, drawing, and writing on any surface produces a very fine or broad line by use of special adapter and four interchangeable hard felt nibs. Fine lines can be used for pricing and marking on many surfaces such as "Cellophane," metal foil, wax surfaces, and fabrics; wide lines for marking freight, express, and parcel post packages, including burlap and cotton bags.

• • •

Insecticide Paint

Outside napthenate paint, suitable for application on boat hulls, said to kill ocean-going bugs and termites, and to repel dry rot. Fish-oil base mixed with a solvent gives the paint a penetrating quality which makes product also suitable for seal-coating concrete blocks and other porous surfaces. San Diego firm is making prouct in a number of colors.

• • •

Pipe Insulation

Pipe insulation of cellular glass construction can be used for both hot and cold lines, indoors and out. U. S. maker says it is the ideal pipe protector for processing industries where exact temperature control is required, or wherever heat is to be retained or excluded.

• • •

Mechanical Wheelbarrow

Self-dumping mechanical wheelbarrow can handle five times the load of an ordinary wheelbarrow, according to Buffalo maker. Machine has 3 hp motor, and can double as a bulldozer or snowplow.

• • •

Hosiery Washboard

Chicago firm is making a hand-sized washboard for hosiery and smaller garments. Object is of translucent plastic with a corrugated face; rubber strap fastens it to hand.

• • •

Plastic Cable Clamps

Cable clamps are now appearing in plastic. Protection from liability to short circuit through worn cable or wire coverage is cited as an advantage, along with resistance to weather and fumes and freedom from corrosion. Chicago firm is making the clamps in three sizes—⅜ in., ½ in. and ⅝ in.

• • •

New-type Faucet

Ohio-made line of plumbing fixtures uses no metal valve seats, washers, or ordinary packing; instead "Feather-touch" faucets use rings which were developed during the war for both high-and-low-pressure hydraulic controls. Rings are of a synthetic rubber unaffected by extreme heat and cold. Stem is wiped clean and dripproof as it closes.

• • •

Washes Precipitators

Manual cleaning of industrial precipators is eliminated by Massachusetts-made unit which automatically washes and dries all ionizers and collector plates, reapplies adhesive and shuts off automatically. This is accomplished at the press of a button—without interrupting service.

M. D. GRANT

has been appointed president of the Sovereign Life Assurance Co.

Here's How Canadian Firm Helps Overcome Glass Ban

When import bans hit the glassware trade back in November, many Canadian dealers suddenly found themselves faced with the prospect of having little or nothing to sell. Long-standing connections with American glass firms were brought to an abrupt halt when this main source for the Canadian glassware markets was cut off. Things generally looked pretty blue.

It wasn't long, however, before it was discovered that Canada has a pretty fair glassware potential of its own.

One reason why smiles are returning to the faces of glassware merchants can be found at the Leaside, Ont., plant of the Corning Glass Works of Canada Ltd., where not so long ago, men of Research Enterprises Ltd. were turning out radar equipment which was to play an important part in the winning of the war. Now, two and half years later, a conclusive demonstration is being given not only of the completeness of the changeover from war to peace, but also of the rapidity with which the Canadian glass industry is meeting the post-war period's changing conditions.

Competitive Price, Quality

This month, a new opal tableware came into production for the first time in Canada. This new ware, bearing the trademark "Corex," is being brought out by Corning at a price approximately the same as glass tableware formerly imported from the United States, on a competitive basis with other low-priced glassware and earthenware lines.

Formerly Corning had concentrated its production at Leaside entirely on the manufacture of Pyrex brand ovenware. Now Corex is being turned out to meet the sudden demand on Canadian glassmakers for dinnerware, and with it goes their confidence that it will prove an important addition not only to the Canadian market but also to the export trade. It has a cream colored, solid body with a delicately patterned surface which will prove attractive in any setting. It has been subjected to a battery of tests and hasn't been broken yet by any normal knock or tableware heat application. In addition, like all other glassware, it has been vitrified throughout in the course of its manufacture—a feature which makes glassware manufacturers regard their products as a superior type of base for dinnerware.

Switchover In Record Time

When The Financial Post visited Corning's Leaside plant the new glass was just starting to flow from the large oven. Around the press which was stamping out the dinner plates were grouped Canadian and American engineers who have been working together to make this new ware possible. Previously this oven had been in use for 18 months for the production of Pyrex ovenware. The switchover, including the cooling out, cleaning and re-heating of the oven, had been accomplished in record time.

The new line is expected to be even better than the opal ware which has found its way into the Canadian market heretofore, and the management has great pride and confidence in the high Canadian content used.

The first production of the new ware should reach the consumer by the beginning of March, according to H. Clifford Bates, general manager of the Canadian subsidiary. Included in the line will be cups, saucers, fruit dishes, plates, soup bowls and bread and butter plates. Kenneth M. Smith Co. Ltd., also of Leaside will handle distribution of the product in Ontario, and will act as sales agents for Corning in the other provinces.

Canada participates in production of modern plastic materials

Styron in new refrigerators

Plastics are custom made in the laboratory for modern living. Interest in these versatile materials grows apace. Products in great variety for the consumer's market show their influence—their practical utility, their ready adaptability to new ideas in design, their distinctive beauty.

Dow chemists have developed many of these plastics. Among them is Styron, Dow's brilliant polystyrene plastic, combining lustrous beauty with dependable usefulness. In Canada today, Styron is in demand for products that range from toys and costume jewelry to wall tile, household utensils and refrigerator parts.

Dow Chemical of Canada is actively participating in the production of Styron, and in addition supplies Saran for colourful, practical fabrics and screen, and Ethocel for durable moulded products. We welcome your inquiries.

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DOW CHEMICAL OF CANADA, LIMITED
204 Richmond Street West, Toronto 1, Canada

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The year was 1830...

... a weakened Europe licked her wounds after the Napoleonic Wars. Battle-weary eyes turned to a new land ... and in this one year—1830—over 28,000 immigrants arrived in Canada.

Alone in a strange and sparsely-settled land, they set their strength, their youth, their courage to the task of building a new life for themselves ... and for their children.

How well they succeeded is shown by Canada today ... once more the New Land to which we welcome immigrants from overseas. May these "new Canadians" carry on the tradition ... eagerly seeking the duties of citizenship with its right to the free, unhampered exercise of the franchise.

When YOU cast your vote at every election—municipal, provincial, federal—you are exercising a duty and privilege planned, worked and fought for by your forefathers. Your vote protects the future of your children. To fail in this duty is to be less than a good citizen.

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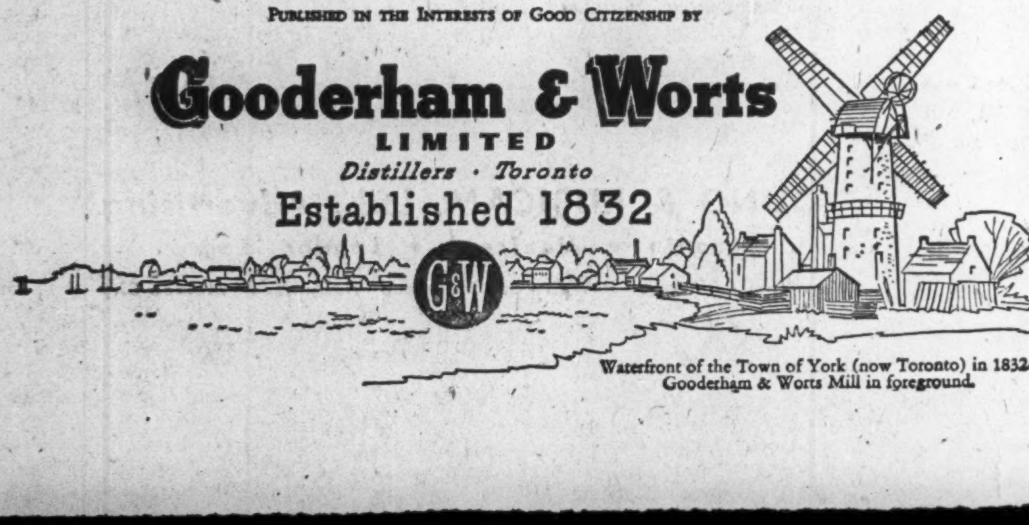
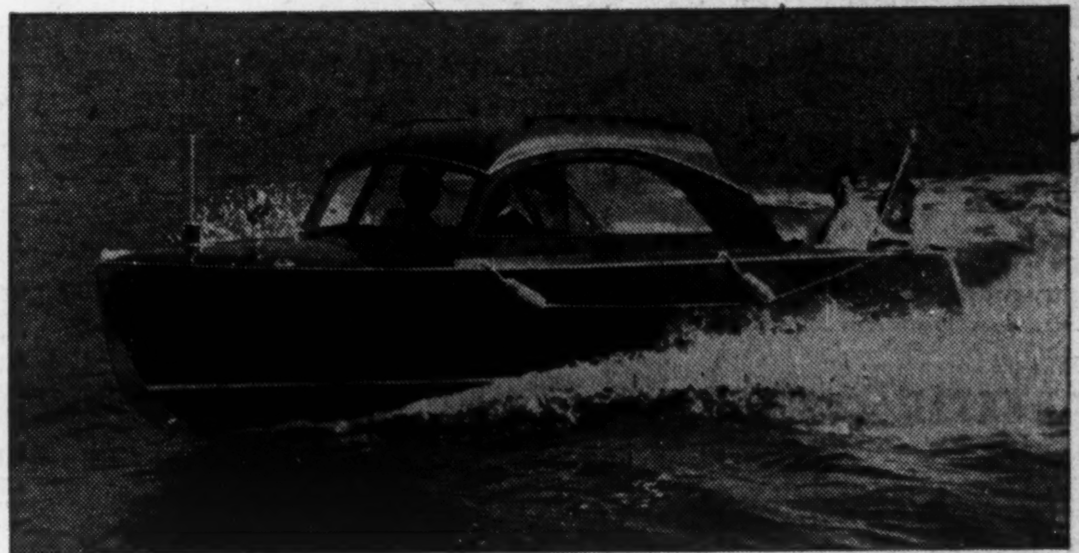


Waterfront of the Town of York (now Toronto) in 1832. Gooderham & Worts Mill in foreground.

The Pre-eminence of Greavette



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The Financial Post

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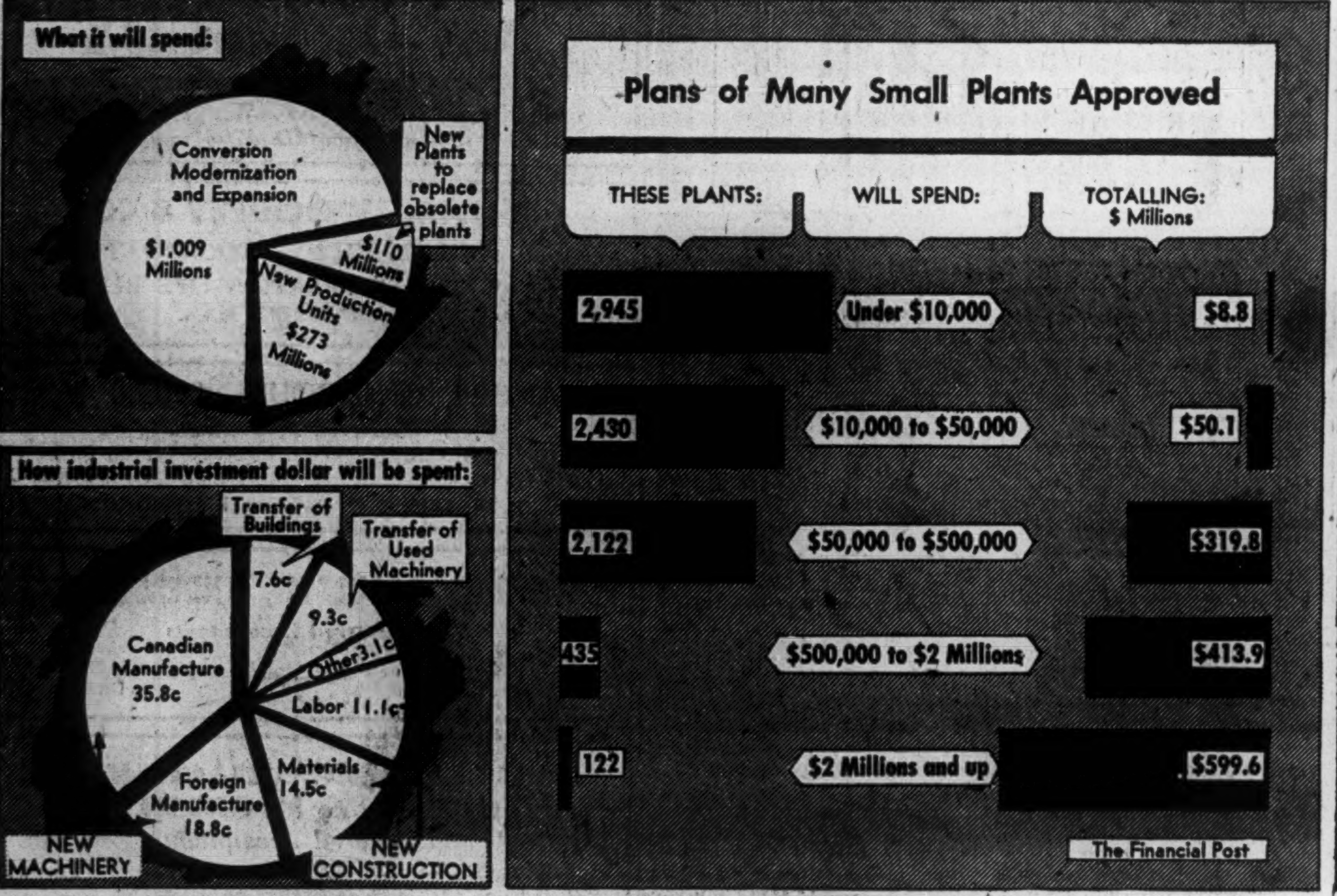
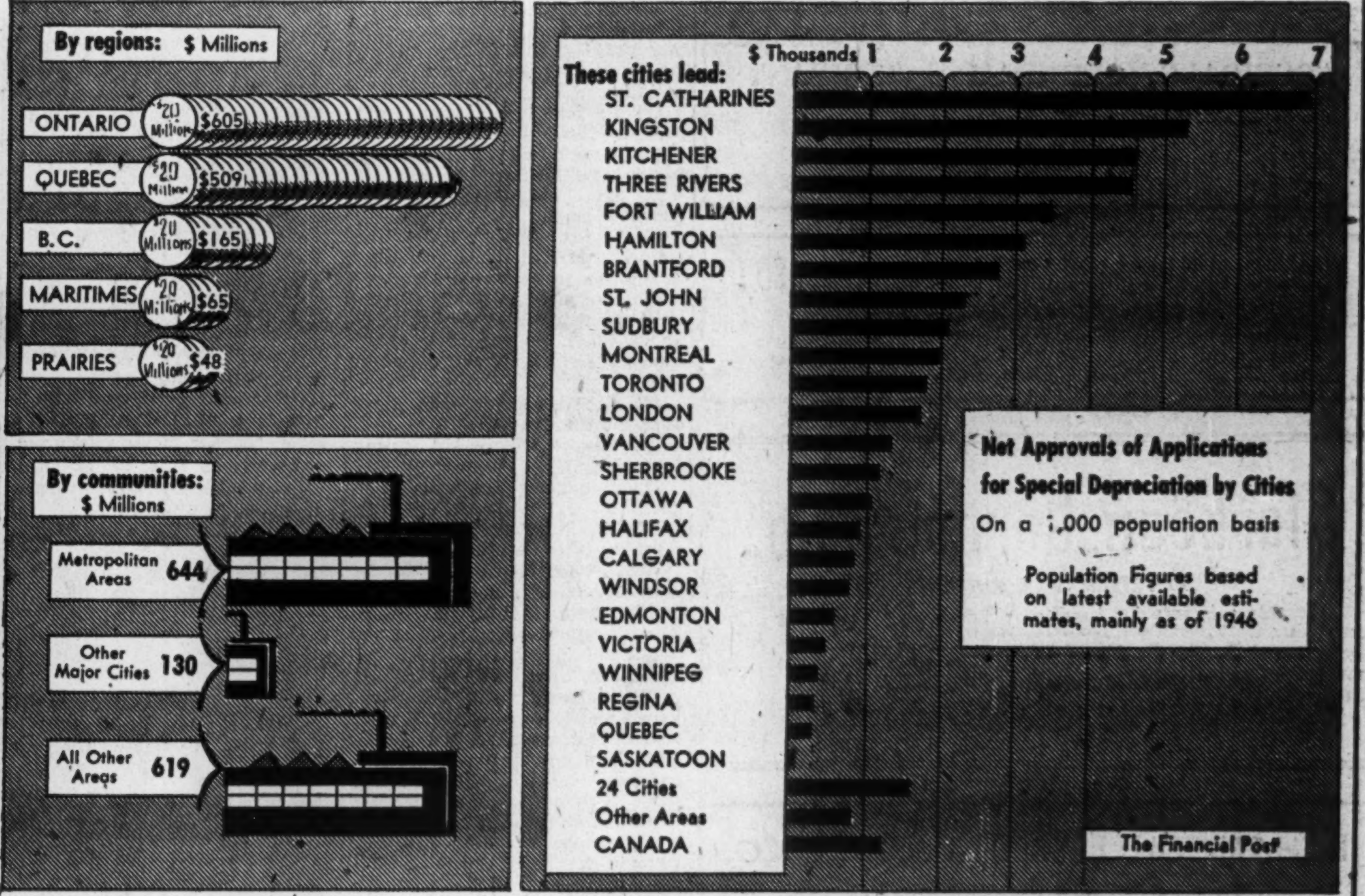
Industry Builds for 377% Boost Over 1939

How Canadian Industry Is Expanding:



Here's Where the Money Is Being Spent:



Cross-section of Capital Plans Shows How, Where of Expansion

By KENNETH R. WILSON

Strengthened by the backlog of special or double depreciation it gained during the war years, Canadian industry is looking toward new production peaks.

Out of the postwar planning of some 4,212 Canadian companies, the Government has gleaned for the first time in this country's industrial history an intimate, statistical cross-section of some $1.4 billions of capital investment plans.

Here's the big factor emerging from this study: the companies concerned will produce, when their expansions are completed, $8.6 billion worth of goods, compared to $1.8 billions in 1939 for those companies with prewar records. That's an increase of 377%. The comparable increase in the United States (see accompanying story) is 50%.

Reason behind the study is that the companies subject to scrutiny received special or double depreciation as an incentive to postwar expansion at a time when tax rates were high, investment costs were rising and postwar risks were considerable. These special rates were available between Nov. 10, 1944, and March 31, 1947. Expenditures were to be completed by March 31, 1949. (Right now it looks as if the Government wishes it hadn't sparked so much capital investment, in view of the present size and magnitude of the Canadian capital spending boom).

Highlights of the expenditure are contained in a special document "Encouragement to Industrial Expansion in Canada" released at Ottawa last week. It was prepared by Dr. O. J. Firestone, Department of Reconstruction & Supply. Some of the key points follow:

Over-all Statistics: The 4,212 companies submitted 8,054 applications for double depreciation on investment projects estimated to cost $1.4 billions. The outlays include conversion, modernization and expansion of 3,668 plants and establishment of 1,174 new plants. It is further estimated that about 40% of all business investment and 80% of total manufacturing investment undertaken in the "transition" period, has been or is, making use of special depreciation provisions.

Projected Results: Projected gross production value of production in the year, after completion of projects, is put at $8.6 billions. Gross value of exports in the year following completion is estimated at $2.1 billions. Number of employees in these plants in the year following completion is put at 980,000. It is estimated that more than 200 new commodities not formerly produced in Canada are included in the expansion plans.

How Spent: The money is being spent in three ways:

(a) **$400 millions** on construction expenditure for plant conversion, modernization and expansion. Of this, $155 millions is for wage payments to construction labor; $201 millions for materials and $43 millions for other charges, mainly overhead and contractors' profits. (b) **$758 millions** for purchase of new machinery and equipment. Of this, $499 millions is for Canadian-produced machinery and equipment and $259 millions for purchases abroad. (c) **$235 millions** for purchase of existing property (including ships) either from private sources or through War Assets Corp. Of this, $106 millions is for fixed assets and $129 millions for movable assets.

Regional Distribution: Ontario gets the largest share, with $605 millions ($144 per capita). Quebec is credited with $509 millions ($137 per capita). British Columbia at $165 millions has the largest per capita share ($157). Other provinces: New Brunswick, $37 millions ($76); Nova Scotia, $27 millions ($44); Alberta, $27 millions ($32); Manitoba, $15 millions ($20); Saskatchewan $6 millions ($8); P. E. I., $1 million ($11).

Community Breakdown: Out of $383 millions expenditure for the 1,174 new plants to be erected, $146 millions (38%) went to small towns and communities with a population of less than 10,000. The major cities (population over 30,000) got 676 plants with capital investment of $167 millions. Medium-sized towns got only 96 new plants with capital investment of $70 millions.

Taking total expenditure (on both new plant and expansion of old), St. Catharines, Ont., leads on a per capita basis. Montreal has the largest dollar outlay. The expenditure for the 24 cities with population of 30,000 or over follows:

Capital Expenditure in Cities With 30,000 or More Population

	Total approvals ($ million)	Per capita
St. Catharines	24	$695
Kingston	17	528
Kitchener	17	461
Three Rivers	21	456
Fort William	10	348
Hamilton	61	312
Brantford	10	279
Saint John	16	230
Sudbury	8	210
Montreal	247	200
Toronto	172	180
London	17	171
Vancouver	58	135
Sherbrooke	5	118
Ottawa	25	105
Halifax	13	92
Calgary	9	86
Windsor	11	78
Edmonton	7	60
Victoria	4	46
Winnipeg	12	39
Regina	2	32
Quebec	7	30
Saskatoon	0.4	9
Combined 24 cities	773	162
Other areas	619	82
Canada†	1,392	113

†Excluding N.W.T.

Investment by Industry: of total expenditure, 88% was sought by manufacturing industry. It is estimated that this is three times the volume estimated to have been undertaken in 1947. Biggest chunks went as follows: pulp and paper producers, $273 millions; processing and canning of vegetable food products, $150 millions; iron and steel industry, $170 millions (of which $107 millions was to extend and modernize fabricating capacity). Textiles are slated to spend $122 millions, of which $88 millions is for primary textile plants; nonmetallic minerals $122 millions; chemicals $117 millions; commercial shipping $101 millions.

Size of Project: Out of 8,054 undertakings, 6,166, with a total outlay of $105 millions, involved investment of less than $100,000 per establishment. At the other end of the scale, 273 projects were approved involving $1 million or more expenditure and in aggregate costing $815 millions or 58% of the total. This leads to the comment that the program is made up "from a small number of large projects and a large number of small projects."

Industrial Diversification: A large measure of industrial diversification is reported as accompanying the process of conversion, modernization and expansion of Canadian factories.

Over 200 new products formerly imported are now being produced in Canada. These include: various types of heavy machinery and equipment such as special types of pulp mill machinery, road building equipment, self-propelled coal, sand and gravel conveyors, milling machines, oil-well equipment, heavy agricultural implement machinery, large diesel engines and inter-city buses; new types of textile products such as impregnated fabrics, jute and hemp yarns, cotton gabardine products and tocked coil ropes; wood and paper products, including new varieties of paper, new kinds of furniture, particularly made from plywood, insulation materials and prefabricated houses; chemicals and allied products such as streptomycin, copper sulphate, styron, sodium carbory methyl cellulose, new types of synthetic lacquers, paints and enamels; and a host of other products such as light machinery and equipment, tools, electrical and cooking equipment, heating and plumbing fixtures, medical and scientific instruments, refrigerators, cordless electric irons, and new types of leather and leather goods.

New processes are also being developed.

The example is quoted of a western chemical company which intends to extract starch and glucose from wheat, while an Ontario company plans to make medicine almost entirely from raw materials originating from other Canadian firms. This means that a larger portion of capital goods required are now being manufactured from Canadian materials and with Canadian labor. Also, a large variety of new types of consumer goods, for the first time produced in Canada, is coming on to the market to satisfy the manifold needs of the general buying public.

A large number of established companies have expanded the **types** of articles that they had been producing formerly in order to reduce the vulnerability of their enterprise to changes in demand and consumers taste for particular types of commodities. In other instances, companies have started to turn out new products designed to integrate their production process. In some cases this involves materials or supplies required for the production of the main commodities, in others it involves turning out new goods that use waste materials resulting from primary production processes.

Examples: a firm formerly producing only refrigeration equipment expanded to manufacture air-conditioning equipment, steam boilers and steel parts and equipment; a firm producing threshing machines and similar implements expanded to produce industrial boilers, rock crushers, rubber, plastic and ceramic moulds and turbine motors and air compressors; a firm formerly producing washing machines extended its production to include ironing machines, electrical appliances and air circulators; a newsprint company in Ontario went into distilling industrial alcohol required in its production process; a British Columbia pulp and paper company started producing new plastic products from waste pulp.

Production plans: One difficulty in projecting future production plans was to get comparable figures as to output, exports and employment for prewar periods and postwar plans. Only about half the total companies (2,241 with 2,601 plants and investment expenditures of $699 millions) had such comparable figures.

These companies produced goods to the value of $1.8 billions in 1939 and had increased their output to the value of $4.1 billion in 1944—the largest year of war production. Yet their postwar plans call for output of $4.9 billion of goods in one year following completion of their new investment program. This would be a 20% increase on peak war production without any allowance for price changes.

When the postwar plans of companies with no comparable prewar figures are added, the very striking figure of estimated production of $8.6 billions (referred to above) is reached. This level of output, if reached, would be only a billion dollars short of the gross value of production of all enterprises in these industries in 1945.

The Picture

(A) Postwar Plans of 2,241 Companies With Record of Performance in 1939 and 1944

	Conversion, Modernization and Expansion	Replacement of Obsolete Plants	Total
No. of applications	4,631	350	4,981
Companies involved	1,933	308	2,241
Investment expenditure ($ millions)	589	110	699
Production ($ millions)			
1939	1,698	146	1,844
1944	3,786	314	4,100
Year preceding approval	3,747	355	4,102
Year follow'g completion	4,416	458	4,874
EXPORTS ($ millions)			
1939	295	29	324
1944	623	49	672
Year preceding approval	746	50	796
Year follow'g completion	1,150	62	1,212
EMPLOYMENT (ooo's omitted)			
1939	264	25	289
1944	457	42	499
Year preceding approval	431	43	474
Year follow'g completion	506	54	560

(B) Projected Postwar Plans of 1,971 Other Companies

No. of applications	2,127	946*	3,073
Companies involved	1,196	775*	1,971
Investment expenditure ($ millions)†	420	273*	693
Value of production ($ millions)†	2,856	859*	3,715
Value of exports ($ millions)†	645	236*	881
No. of employees	347	73*	420

†In year following completion of project.
*New plants or establishments.

Export Intentions: The same groups of companies for which both prewar and postwar estimates are available, show that these 2,241 companies exported goods to the value of $324 millions in 1939, increasing to $672 million in 1944. Currently these companies export about $800 millions of goods and they expect in the year following completion of their investment projects to raise this to $1.2 billion. If these expectations are realized it would mean that this group of firms expects to export in the postwar period more than 3½ times as much as they did in 1939 or about 2½ times as much in physical volume, assuming an average 50% increase in prices.

As well, additional exports of $881 millions are planned by firms for which no comparable prewar data are available.

Added together this makes a total projected export from these firms of $2.1 billions. (The 1946 record of all firms in these industries was about $1.8 billion).

Employment: The 2,241 companies for which comparable figures are available, reported an increase in employment from 289,000 in 1939 to 499,000 in 1944. Currently these companies are employing 474,000 persons but hope to expand their labor force to 560,000 in the year following completion of their expansion program.

The other group of 1,971 companies expect to provide 420,000 jobs a year after completion of their projects.

Conversion of War Plant: Information is available on the conversion effort of a group of some 658 establishments engaged in war production in 1945, employing some 400,000 workers. In terms of plants only some 5% were not usable for peacetime purposes either in full or in part, including those dismantled and kept in reserve. About 39% had to undergo conversion, including major adaptation, to be usable for peacetime production. Of the remaining 56% about half, or 28%, needed modernization and expansion of their facilities, while the other 28% required minor adjustments, since they represented newer plants built during the war.

Thus a major portion of Canada's industrial war structure was found usable for civilian purposes, although, in a number of instances, large conversion, modernization and expansion outlay was required. In terms of capital expenditures made, it is estimated that of the more than $3.5 billion spent either directly or indirectly for war purposes, some $2.2 billion worth of investment was found readily adjustable for peacetime industrial efforts.

Postwar Plans Boost U.S. Output by 50%

American business expansion programs will run through most of this year without letup but on the basis of present plans, expenditures on new plant and equipment will drop sharply in 1949.

Capital expenditures for this year will run close to $15.8 billions — or some $300 millions less than 1947 spending.

These are the main findings of a comprehensive survey of the postwar capital expansion boom in the U. S. by McGraw-Hill Publishing Co.'s economics and research department.

A weighted average of manufacturing firms shows that their programs were only 64% finished at the end of 1947; by the end of 1948 it is expected that this will be brought up to 85%.

Neither a business setback nor a rise in wage rates will make any great difference in total spending for new plant and equipment this year.

Either current earnings or reserves and surplus from past earnings will provide by far the greatest source of money for capital expansion in manufacturing. Railroads and public utilities, however, will have to lean heavily on commercial bank loans or new security issues.

When postwar expansion programs are complete, U. S. manufacturing capacity will be about 50% greater than it was in 1939.

The following table gives a breakdown:

EXPENDITURES FOR NEW PLANT AND EQUIPMENT
($ millions)

Industry	1947	1948, as reported	1948 adjustedx
All manufacturing	7,525	6,056	6,955
Food	730	480	530
Textiles	325	256	300
Chemical	1,400	1,200	1,340
Petroleum	540	535	585
Metals	900	790	830
Machinery	1,190	550	850
Electrical machinery	480	195	250
Automobile	780	600	695
Railroads	1,000	1,000	1,000
Electrical utilities	1,300	1,900	1,900
All other business except farming	6,300	5,900	5,900
	16,125	14,856	15,755

xAt the time of survey many plants had not set up capital budgets for 1948. Adjusted figures were computed on the alternative assumptions that: (1) nothing would be spent for plant and equipment in 1948, (2) that these companies would change their capital budgets in 1948 by the same proportion as companies in the same industry that had made definite plans at time of survey.

How Industry Overcomes Power Cuts

Change Shifts and Lunch Hours to Maintain Production

Ontario's industrial plants, after two days of heavy losses last week when the switches were suddenly pulled on them in the battle to conserve power, now are finding their own way to weather the hydro storm.

Some have cut shifts, some have rearranged lunch hours, some have found a dozen small ways to cut consumption which add up into an appreciable saving. With all it has to total one thing: using 10% less power than in October, 1947.

All told, about 230 industrial plants have now worked out their own power-saving schedules, others are planning weekend schedules when the load is lightest. In several zones Hydro is co-operating by arranging earlier morning cutoffs so that mid-morning or mid-afternoon cutoffs may be avoided.

Biggest obstacle all had to face was how to arrange production to accommodate one 45-minute break in power supply in the middle of a production day.

To industries on direct power lines the proposition was simply: Cut power use to 90% of October consumption your own way and we'll be statisfied.

To those on feeder lines it meant industries using the same feeder getting together and deciding between themselves on a mutual shutoff period or a joint saving of 10%.

To scattered industries alone on feeder lines with other consumers the problem of cutoff has remained.

Here's how The Financial Post found it working out with representative groups this week:

A large rubber firm (on direct line): We lost at least $5,000 in the first two days, three-quarters in damaged material being cured (tires, belting, etc.), one-quarter in wages to idle workers. Now we're on voluntary savings we've cut out the whole Monday morning shift and the first work in the plant begins 3 p.m. Monday. That is, we work one shift short a week. This is a net loss in production time not made up in any other way but it's the best way out for us. There is of course that much loss to over-all production but no loss due to damaged material.

A large glass works (on group feeder line): In the first two days of unexpected cutoffs production loss amounted to at least $4,000, 10% of this being spoilage. Now we operate on a voluntary saving scheme without any cutoff but we have to keep constant watch on consumption to keep it at the 90% of October level and at the same time we have to police two other firms on the same feeder line.

Similar arrangements were reported to The Financial Post by a firm making steel ware, another making wire and cable products and a knitting mill.

These firms are still working normal shifts. Consumption is being cut by reductions in illumination, and power uses for purposes not essential to production, and by transferring some finishing operations from machine to hand.

Another rubber firm (on feeder) not affected by first cutoffs is now making voluntary saving of 10% by cutting down on a number of small machines, on fluorescent fixtures, dictaphones etc. No staff lay-offs or reduction in production contemplated.

A large bakery reports it hasn't been able to work out any scheme for voluntary saving, power is still shut off two or three times a day "which upsets routine and quality of product". As for production: "We're still feeding as many people so obviously if they shut off the power it takes more hours each day to do it".

A large paint and varnish factory (still subject to cutoffs): We have been able to carry on many operations without power, as long as cutoffs are short, by shifting operations to meet the circumstances. Production loss should be small.

Other businesses queried, those on feeder lines by themselves and therefore unable to enter a group arrangement, have rearranged work schedules to coincide with stated cutoff periods.

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On Brokers' "Most Popular" Stock List:

Hiram Walker-Gooderham & Worts

"What stocks would you choose for security and capital appreciation over the next three years?"

That was the question which The Financial Post put to a group of leading Canadian brokerage and investment firms. In recent weeks The Post has published the lists they selected.

Here, The Post analyzes another of the 20 stocks which received the highest number of votes. Analysis does not, of course, mean that The Financial Post recommends the purchase or sale of any of these securities now or at some time in the future.

By JAMES H. JOYCE

Why did the common stock of Hiram Walker-Gooderham & Worts, Ltd. turn out to be tied for third place on the list of the 20 "most popular" stocks to hold over the next three years in The Financial Post's recent poll of opinion in the investment community?

The reasons would seem to be as follows:

(1) Its long-term income and balance sheet statistics show a good growth record indicating future possibilities.

(2) The long-term earnings record is good.

(3) The relatively conservative ratio at which its stock is selling in relation to recent earnings.

(4) The yield of 5.88% obtainable at its stock's current price of about $25½, on the basis of an indicated $1.50 annual dividend rate.

(5) The big margin of earnings over the dividend rate.

(6) The company is strong financially.

(7) Management is considered good.

(8) The company is one of the "Big Four" in the industry in the United States (where 90% of its sales are made), one of the two leading companies in Canada; has a well-established operation in Scotland and has a new but "promising" Argentine subsidiary.

(9) Its brands are well-established and have a record of good consumer acceptance.

But on the other hand, Walker's common has already reflected some of these factors to a certain extent in its price. At its current level of about $25½, its stock (which was split on a 4-for-1 basis in 1946) is higher than the equivalent value of the old stock at any time prior to 1945 and double its 1936 high.

A record of the price range of the stock, the company's working capital, and an abbreviated income account showing earnings and dividends per share for the 12 years 1936-47 are shown in the accompanying table.

Increase in Sales

Sales give evidence of dynamic growth. Net dollar sales for the year ending Aug. 31, 1947, of $294.6 millions—highest in the history of the company—have more than doubled since the 1942-43 year; are 4.3 times their 1938-39 level of $68.3 millions and 5.4 times their 1935-36 level of $54.7 millions. The improvement in the last fiscal year resulted from increased volume of beverage products sold.

However, in considering sales figures, it should be noted that sales include excise taxes and import duties. The increase in liquor excise taxes has accelerated the growth-of-sales trend. The importance of this item may be seen from the fact that these taxes made up 67.1% of the sales dollar in 1946-47 and just under 50% in 1938-39. In dollar amount these taxes have risen sixfold since 1939 from $33.0 millions to $197.6 millions so that the dollar sales, ex these taxes, are up just under 2.9 times.

Walker's net profit for 1946-47 of $18.9 millions is also at an all-time high—twice the 1942-43 amount of $9.2 millions and nearly 3.6 times its 1938-39 level of $5.3 millions.

The consolidated net profit for the 12 years shown has totalled $103.9 millions which, after deducting payments on the preferred averages $2.83 a presently outstanding common share a year. The company has paid a relatively small percentage of this to shareholders in dividends, a factor which has tended to keep the common stock's price down. Dividends for the 12 years total $37.7 millions or only 36.3% of the net profit and average $1.09 a present common share a year.

Dividend Rate Raised

Following the splitting of the old common on a four-for-one basis in the fall of 1946, the common dividend rate was raised from the equivalent of $1 a new common share a year to $1.20. The payment of 37½c a share payable Dec. 15, 1947, and the declaration of 37½c payable Mar. 15, 1948, indicate a present annual dividend rate of $1.50 a share.

In referring to dividend policy in the last annual report, President Howard R. Walton points out: "Present price levels of grain and whisky barrels indicate that the building-up of maturing whisky stocks will require very substantial cash outlays. Further sizeable sums will be required to carry larger accounts receivable balances . . . directors believe that a conservative dividend policy is in the best interests of the company and the shareholders." This would not indicate much chance of a further increase in the dividend rate at this time.

Walker's common at $25½ is selling at nine times its average earnings for the past 12 years, while its yield would average only 4.27%. But it is selling at only 3.9 times last year's earnings of $6.54 a share and yields 5.88% on a $1.50 dividend. Liquor stocks traditionally sell on a low times-earnings ratio. In 1947 Walker's common ranged from 4.4 to 3.3 times its 1946-47 earnings and from 3.8 to 6.8 times 1938 earnings in 1939. (Comparable figures for Distillers-Seagrams were 4.4 to 2.8 in 1947 and 3.0 to 6.3 in 1939.)

HOWARD R. WALTON

president of Hiram Walker-Gooderham & Worts, joined the company in 1934 as Chicago district sales manager, became president in 1946.

THOMAS H. GIBBONS

joined the company in 1927 as manager of Gooderham & Worts British and foreign agencies and was named vice-president in 1936.

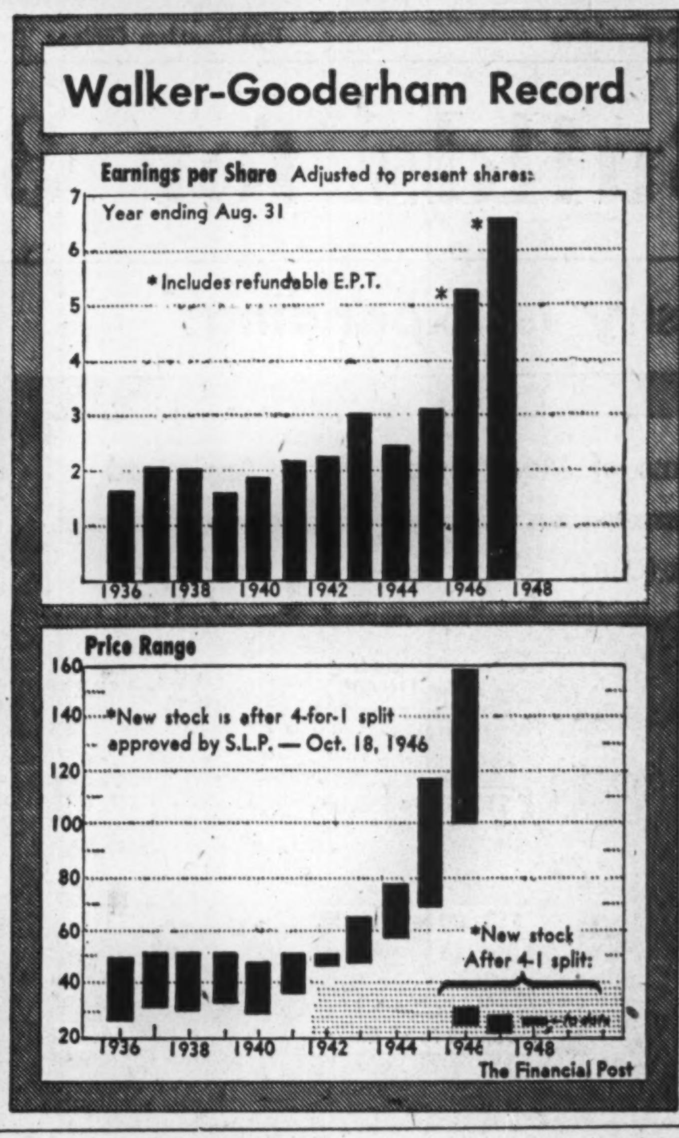
Will Walker's earnings and sales show an increase again in 1948?

For the first quarter of the current year, Walker's earned the equivalent of $3.39 a common share as against $1.58 in the same quarter of the previous year. The profit for this quarter will be substantially larger than for subsequent quarters, Mr. Walton stated at the annual meeting. Quotas for sales for the current fiscal year were set to allow heavier volume during October, November and December when the demand is normally greater, he pointed out.

Future Sales

Sales prospects for the industry depend on consumer purchasing power and related economic conditions. Experience has demonstrated that expenditures for alcoholic beverages directly follow the fluctuation in expenditures for food and tobacco. U. S. consumption of distilled spirits reached an all-time high of 231 million gallons or 1.65 gallons per capita in 1946. Analysts expect this to remain the peak for the time being because of the high cost of living and increasing competition from durable goods for the consumer dollar. Consumption in 1947 was 178.7 million gallons —down 22.6% from 1946.

With U. S. production facilities expanded during the war a buyers' market in distilled spirits is only a matter of time in the opinion of many analysts. The recent U. S. 60-day production shutdown together with any new restriction on production, as is proposed, may defer the period of keener competition. But consumer acceptance of established brands, selling ability, and efficiency will soon be important considerations.



Walker-Gooderham Record

Walker's products have since the war consistently improved their position in the share of the alcoholic beverage market. The company confidently expects to maintain its present position.

During the last fiscal year the restrictions in the United States and Canada on the use of grain for beverage distillation that had been in effect since Oct. 8, 1942, were substantially relaxed and later abandoned. As a result, production was substantially in excess of sales and some progress was made toward building up the company's stocks of maturing whiskies that were depleted during the four years of restricted production, President Walton stated.

Production in the United States was again interrupted by the voluntary 60-day shutdown which started Oct. 25, 1947, and by the governmental limitation of the amount of grain used in January, 1948. There are at present no legal restrictions on the use of grain by distillers in the United States although the matter is under consideration by Congress. Meanwhile the U. S. Secretary of Agriculture has stated that the industry was consuming grain in February at the rate of 6,500,000 bushels monthly — nearly 2.7 times the 2,450,000 bu. it was limited to in January.

No Restrictions in Canada

In Canada no restrictions on the use of grain are now in effect except that wheat may not be used for distilling purposes. Walker's normally uses little, if any wheat so is not affected. Chief grains used are corn, rye and barley.

In Scotland grain allocations for beverage distillations, while still controlled by the Ministry of Food, were more liberal in the last year for the purpose of increasing exports to hard currency countries. Total allocation was equal to 58 1/3% of a normal prewar year. As a result the company expects to show a net gain in whisky inventories in that country. "Whiskies produced in 1947 will be sufficient to support an expanded sales program when stocks have matured," Mr. Walton states.

From a financial standpoint, Walker's position appears strong. Current assets totalled $98.9 millions, current liabilities $22.2 millions at Aug. 31, 1947. Working capital of $76.7 millions at Aug. 31, 1947, was up substantially from the previous year's $45 millions due partly to the sale of $30 millions new debentures in November, 1946, following retirement of $10 millions debentures. Working capital is now 2.7 times its Aug. 31, 1939, level of $29.4 millions.

As in the case of other companies, inventories account for an important part of total current assets ($63.6 millions or 64.5% at Aug. 31, 1947); ($28.1 millions or 77% at Aug. 31, 1939). The current rate of sales accounts for the need of substantially higher inventories than prewar.

The property account reflects the expansion and growth of the company; land, buildings, plants and equipment are shown at cost of $44.1 millions at Aug. 31, 1947 —up $4.7 millions in the year and over 2.4 times its Aug. 31, 1936, figure of $18.1 millions. The depreciation reserve has increased from $6.3 millions to $15.6 millions in the same period and amounts to 35.4% of the account. Expanded facilities for handling grain and for maturing whiskies are under construction or have recently been completed.

Investments and other assets totaled $6.8 millions at Aug. 31, 1947. Goodwill, etc., are carried at $1.

Capitalization consists of the $30 million 2¾% debentures due Nov. 1, 1966, and 2,896,016 no par value common shares (carried at $17.3 millions) of which 9,868 common shares are held by a U. S. subsidiary. Net worth was equivalent to $28.28 a common share—over four times its equivalent book equity of $6.65 at Aug. 31, 1936.

Management of the company is generally considered sound and progressive in financial circles. Chief operating executives are Howard R. Walton, president; Thomas H. Gibbons, and Burdette E. Ford, vice-presidents. These three constitute the "executive committee." Other directors are E. D. Gooderham, F. K. Morrow, J. F. Lash, K.C., George T. Chisholm; Leigh M. McCarthy; Toronto; R. A. McKinlay, Glasgow, Scotland; and H. Clifford Hatch, Windsor.

The company employs nearly 6,000. Labor relations would appear good.

The Company's Position

Hiram Walker-Gooderham & Worts, Ltd. is a holding company owning or controlling either directly or through subsidiary holding companies, all or a majority of the voting stock of various corporations engaged in the business of producing, warehousing, bottling, buying, selling, importing, exporting or otherwise dealing in alcoholic products for beverage and industrial purposes, byproducts and articles and materials used in the production thereof and incidental thereto.

Hiram Walker-Gooderham & Worts

(Years ending Aug. 31; millions of dollars)

	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936
Net sales	294.6	266.8	254.6	167.1	142.0	150.5	102.2	78.7	68.3	67.2	64.0	54.7
Cost of goods sold	232.7	209.5	204.8	131.5	104.9	113.8	77.8	57.8	50.6	48.0	45.9	40.2
Gross profit	61.9	57.4	49.8	35.6	37.1	36.7	24.3	20.9	17.7	19.2	18.0	14.5
Selling and gen. expense	25.8	24.3	19.6	13.8	13.9	17.1	11.9	11.4	9.6	9.7	8.6	7.6
Earnings for year	36.1	33.1	30.2	21.8	23.2	19.6	12.4	9.6	8.1	9.5	9.4	6.9
Depreciation	1.6	1.7	1.2	1.2	1.1	1.0	0.8	0.8	0.8	0.7	0.7	0.6
Debenture int.	0.7	0.3	0.3	0.6	0.6	0.6	0.5	0.5	0.5	0.2	0.2	0.2
Income taxes	15.2	17.3	19.3	12.4	12.5	9.1	4.1	2.1	1.3	1.7	1.6	1.0
Net profit (incl. ref. EPT)	18.9	15.8	9.4	7.6	9.2	7.1	6.9	6.1	5.3	6.3	6.5	4.8
Ref. EPT	...	0.1	*	0.6	0.3	0.1	...	...	...	...	...	...
Net profit retained	18.9	15.7	*	7.0	8.9	7.1	6.9	6.1	5.3	6.3	6.5	4.8
Pref. dividend	...	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5
Common divd.	3.5	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	1.4	1.0
Surplus for year	15.4	12.4	6.0	4.2	5.8	3.7	3.5	2.6	1.9	2.9	4.6	3.3
Surplus forward	63.6	48.1	35.8	29.8	25.8	20.0	16.8	13.3	10.7	8.6†	15.1	10.6

*—Not available. †—$9.5 million was charged surplus to write off goodwill, patents, etc.

	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936
Working capital	76.7	45.0	51.4	49.7	55.0	51.1	36.9	33.4	29.4	25.0	20.2	20.5
Common Stock ($):												
Earned▴*	6.54	5.25	†									
Earned ■*	6.54	5.28	(3.07)	(2.45)	(3.01)	(2.26)	(2.20)	(1.90)	(1.64)	(2.01)	(2.07)	(1.64)
Paid*	1.20											
Earned▴‡		20.99	†	8.94	11.59	9.00						
Earned■‡		21.14	12.26	9.81	12.04	9.10	8.78	7.60	6.58	8.04	8.29	6.56
Paid‡		4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	2.00	10.0

▴—Excluding (■—including) refundable portion of excess profits tax.
*—New stock after 4-for-1 split approved Oct. 18, 1946. ‡—Old stock. †—Not available.

Common Price Range ($): (Calendar years)	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936
High*	28½	31¼										
Low*	21⅝	24¾										
High‡		159	117	78	65	50¼	50¼	47¼	51	51¼	51½	49¾
Low‡		108	69	57½	47	46	36½	29¼	33⅛	30¼	31	26¼

*—New stock after 4-for-1 split. ‡—Old stock.
1948 range has been: High, $27; low, $24¾.

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Steele Briggs in Business Three Quarters of Century

Back in 1873, when Toronto boasted a population of about 62,000, a tiny retail store was established at 23 East Market St. to supply Ontario farmers with the clover and timothy seeds which they required for planting to provide food for their cattle.

This was the first headquarters of the Steele Briggs Seed Co.—the "seed" from which has grown a massive "plant" with "branches" in Winnipeg, Regina and Edmonton.

Today, not only farmers and commercial growers buy their seeds through the Steele, Briggs concern, but hundreds of thousands of home gardeners, also, make their selections of flower and vegetable seeds from the familiar display cabinets which are sent out each year to some 25,000 retailers across the country.

Now it is a vast annual business, in which the most modern means of distribution, merchandising and transport are used; but in its early days, many difficuties which would be considered almost insuperable today, had to be overcome.

Deliveries Were Difficult

Orders were generally placed by farmers who called in person at the little store, or who sent in a list of their requirements by mail; and the delivery of supplies in those days of undeveloped road and rail communications, presented problems to both shopkeeper and farmer, which the modern Canadian would find hard to believe.

However, the service which the partners were able to give was appreciated, particularly when, in 1876, the spring wheat crop in Ontario was almost a total failure and they were able to obtain for customers a type of wheat seed which answered their greatest problem.

Learning that good crops had been obtained in the Red River Valley, Manitoba, a partner of the company went to that area to purchase any available seed supplies. Only a small acreage had been sown, however, and the firm's search resulted in the purchase of a mere 857½ bushels, for which it paid 85c a bushel, delivered at Winnipeg.

This was the first recorded grain transaction in the West—a purchase by Steele Briggs for the farmers of the East. By this time, the business was established on a solid foundation; for following the first full shipment of garden and field root seeds which arrived from England and France in 1873, the enterprise had begun to show signs of lusty growth.

Salesmen were sent out on an exhaustive — and exhausting — canvass of all the retail houses in Ontario. Travelling was tedious and difficult then, and getting business slow, hard work; but upon the efforts of these salesmen, the present success of the firm was founded.

Plant Expanded

Soon it was obvious that more commodious premises would be needed to handle the rapidly-growing volume of business, and such quarters were found at Front and Jarvis Sts., Toronto. New lines and stocks were added and in 1902, to handle the business coming from the West, the firm opened its first branch plant in Winnipeg.

In 1922, in response to requests by the farmers of Saskatchewan and Alberta who said that the Winnipeg establishment was 'too far East," the firm established a large warehouse and seed cleaning elevator in Regina. In 1933, permanent facilities were built in Edmonton, still farther West.

Meanwhile, Toronto headquarters had been moved again into the firm's present modern seed warehouse, equipped completely for cleaning, grading and packaging of seeds, on Spadina Ave.

Seed stock is received from growers in all parts of Canada, and on arrival at the plant is processed on "production line" methods to clean it of "foreign" seeds and impurities, before being tested for quality and germination, in laboratories maintained for this purpose. It is then packed into the brightly-printed cotton bags, sealed for farmer protection. The bags are stacked on storage floors, carefully temperature-controlled, until they can be loaded into freight cars which enter a siding into the firm's loading yard and are fed by chutes from the loading floors at all plants.

Makes Business for Others

In addition to the forage and commercial growers' seed supplies, the firm handles over 1,000 other varieties of field and garden seeds, germination-tested, and dated before being sent out to the retailers. Assembly of the brightly colored envelopes and packets which carry an illustration of their contents, as they should develop if properly cultivated, provide year-round work as does the manufacture of the display cabinets in which the packets are arranged.

These seed displays contain variety assortments based on an analysis of business done in different areas of the country over a period of years, so that each section of the country will obtain available stock of its favorite flower and vegetable varieties. This system enables the firm to maintain the highest quality and germination standards.

"New Look" Containers

There is nothing static in the seed business. New varieties are constantly coming forward, and new merchandising techniques being tried out. This year, for instance, commercial growers and dealers will find their supplies of vegetable seeds coming to them in round containers after the style of the familiar salt packages, with pour spouts in the lid for easier handling and sowing.

Peas, beans and other home garden vegetable seeds are now offered in lithographed cartons instead of the bulk stock so often seen on merchants' counters.

W. B. Dack, president of the company, believes that there is a big possibility for greatly increasing Canada's export trade in forage seeds, and that there is an urgent need today of such supplies for the rehabilitation of Europe and for export to Great Britain and the United States.

W. B. DACK

The story of Steele Briggs is one of the romances of Canadian industry. Seventy-five years old, it is still growing, and, with an eye on the future, Mr. Dack can see big developments and expansion still ahead.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INVESTMENTS

Dover Industries

Is there any explanation of why Dover Industries Ltd. pays so little as compared with earnings?

R. R. Barber, president of Dover Industries Ltd., writes The Financial Post in connection with your enquiry as follows:

"It was only in 1946 and 1947 that the difference between net earnings and dividends became pronounced. The 1946 earnings included a profit on sale of investments of 39.6c a share which is nonrecurring.

"The price of commodities such as wheat has risen considerably thereby requiring a much larger working capital to avoid interest charges. At times we have had to borrow money from outside sources temporarily.

"We feel that it is in the shareholder's interest to be in a position to expand our activities when the appropriate time arrives. We are on the lookout and hope sometime to be able to purchase a business that will provide increased earnings for the shareholder."

Earnings for the fiscal year ended Sept. 30, 1947, were equivalent to $1.28 a common share as compared with $1.46 a common share, including the refundable portion of the excess profits tax, for the previous year. Dividend payments totalled 60c a share in each of the last two years.

The company's working capital amounted to $968,906 at Sept. 30, 1947 — up from $901,869 a year previously.

Jonsmith Gold

I have been approached to buy shares in Jonsmith Gold Mines. Has this company made any discoveries? What does the capital structure look like at present?

Jonsmith Gold Mines holds 27 claims, approximately 1,080 acres, in the Sudbury area, Ontario. Surface work and diamond drilling are stated to have indicated two lenses carrying values in nickel, copper, platinum and gold, with some values of ore grade. A short time ago company planned a geophysical survey, which was to be followed by diamond drilling of any anomalies indicated.

Authorized capital of the company is 3.5 millions shares, of which 1,116,672 shares are outstanding. Of the latter, 1,050,000 shares are reported pooled.

This project is very much in the speculative stage still, but the fact that some base metal and precious metal values have been located appears encouraging. Only a relatively small number of shares are reported sold to date, and this suggests that further financing may be necessary before completion of any extended program.

Seasonal Market Moves

Will you please give me a brief outline of the more or less traditional seasonal moves in the stock market.

Traditionally the months of December and January represent "rally" months in the stock market. This rally is usually followed by a decline running into early spring. Market psychology then takes on an optimistic note with the coming of spring and we generally witness another rally lasting into June. The summer months of July and August are pretty much of a 50-50 affair, depending on whether the market is in a primary "bull" or "bear" market. The traditional fall up-turn generally gets under way some time in September and lasts into the latter part of October. This is followed by a decline—sometimes of only a technical nature—which extends to the beginning of the traditional new year's rally.

For over a year now, however, the market has persistently refused to follow through on any trends once they have been recognized under the Dow formula, and more recently it has even failed to carry through when it seems about to indicate a trend.

East Amphi

To what do you attribute a rather sharp decline in shares of East Amphi Gold Mines?

East Amphi Gold Mines has obtained considerably encouragement in its underground exploration program, but diamond drilling carried out latterly failed to confirm earlier results, we understand, and work is now being suspended. However, the financing groups still hold their options in good standing, and it is possible that further work may be done when financing conditions become more auspicious. If a quantity of ore should be developed, there are several mills in the neighborhood which might be able to treat the company's ore on a custom basis.

INCOME TAX

Funeral Expenses

My wife died in 1947. I had heavy medical expenses before she died. Can I add in the cost of the funeral when computing the amount by which my total medical expenses for the year exceed 4% of my salary for income tax purposes?

No. Funeral expenses are not allowed as a medical expense.

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TORONTO

Can. Tax Foundation Elects New Governors

A new board of governors was elected by members of The Canadian Tax Foundation at its recent annual meeting. The board for this year consists of:

G. R. Munnoch, chairman; H. P. Herington, vice-chairman; Hon. G. P. Campbell; K. LeM. Carter; J. G. Glassco; W. G. H. Jephcott; W. A. G. Kelley; H. C. F. Mockridge; all of Toronto; K. W. Dalglish; L. A. Forsyth; F. E. H. Gates; H. A. Stikeman; all of Montreal; A. E. Beauvais; Andre Taschereau, of Quebec City; W. J. B. Gentleman; M. G. Teed; of Saint John, N.B.; A. Irvine Barrow; J. McG. Stewart of Halifax; Hon. Fred A. Large; Charlottetown; J. A. MacAulay; J. S. Swinden, of Winnipeg; K. J. Morrison, Calgary; J. R. Church; L. J. Ladner, of Vancouver.

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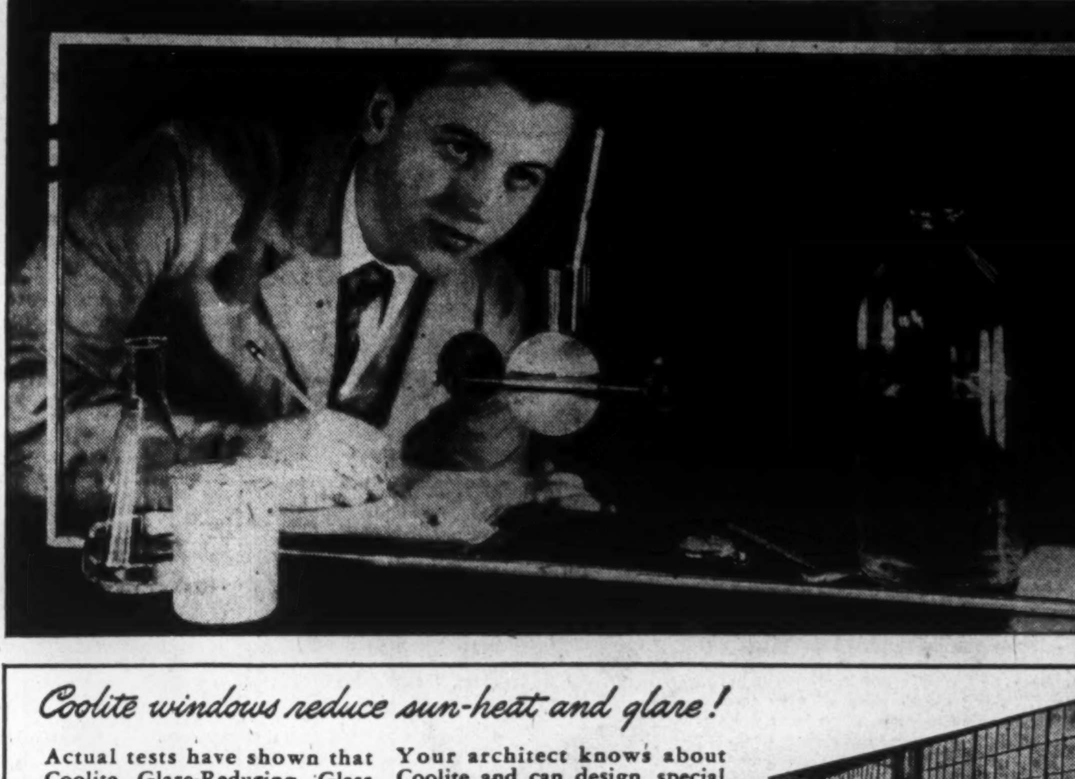

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STATEMENT AS AT 31st DECEMBER, 1947

ASSETS

CAPITAL ACCOUNT:

Total assets of the Company	$ 1,589,800.98
Guaranteed Accounts	3,878,455.39
Estate, Trust and Agency Accounts	72,709,816.31
Safe Custody Account	49,897,451.96
	$128,075,524.64

LIABILITIES

CAPITAL ACCOUNT:

Accounts payable	$ 133,353.02
Reserves	58,474.97
General Reserve	200,000.00
Profit and Loss Account	92,972.99
Capital Stock	1,105,000.00
Total	1,589,800.98
Guaranteed Accounts	3,878,455.39
Estate, Trust and Agency Accounts	72,709,816.31
Safe Custody Account	49,897,451.96
	$128,075,524.64

PROFIT AND LOSS ACCOUNT

BALANCE, 1st January, 1947	$ 67,592.61
PLUS: Net Profit for the year	80,380.38
	147,972.99
LESS: Dividends	55,000.00
BALANCE, 31st December, 1947	$ 92,972.99

Power Scarce in Manitoba But No Switch-pulling Yet

From Our Own Correspondent

WINNIPEG — Will power rationing, or compulsory "brownouts" extend westward from Ontario to Manitoba?

The province pondered this question this week, as it waited introduction of government legislation to deal with the power situation.

Admittedly, there was a power shortage; but just how serious, remained a secret up to the present. Premier Garson had already asked, in the legislature, to be excused from answering CCF questions on the subject. M. A. Gray, of Winnipeg, had asked if the shortage was likely to interfere with speedy progress of rural electrification; and if the Government was considering taking over privately-owned power plants to enable the Manitoba Power Commission to give fair and equitable distribution of electricity throughout the province. Mr. Garson's answer was:

"The Government has no desire to withold information. In due course it will answer all the questions asked. If the answers were given prematurely, as isolated facts, they more than likely would be misunderstood and would be misleading to those who see them unrelated to other facts of the power situation.

"The whole matter is a complex one which it will be difficult to explain understandably even when presented as a whole. If it comes before the House in piecemeal fashion, it is almost certain to be misunderstood. We are going to ask legislation to empower us to deal with the present situation. There will be a full and complete statement of all facts and those now asked will be shown in proper relation to the subject as a whole, and to the other facts.

"In the meantime we think it definitely undesirable that the facts being asked for should be stated without any of the accompanying data which qualify them and explain them.

"The shortage of power is not interfering with speedy progress of rural electrification. The overall supply of hydro-electric power is adequate for present needs of the province. Any shortage with which we have been concerning ourselves is not actual and immediate but potential in the future."

No Capital Change Is Planned Now By Reliance Grain

No changes in the capitalization of Reliance Grain Co. are contemplated at the present time, President W. A. Murphy advises shareholders in a letter informing them of certain recent transactions. These have taken place since the end of the fiscal year and therefore will not be reflected in the annual accounts appearing in March.

The company disposed of 152 country elevators, its feed plant at Portage la Prairie, Man., and its terminal elevator at Port Arthur, Ont. In exchange the company will receive $3,368,000 and title to a terminal elevator at Port Arthur known as Manitoba Pool Terminal No. 3, Mr. Murphy states.

After these transfers Reliance Grain will have 79 country elevators of which 23 are situated in Alberta and 56 in Saskatchewan together with the terminal elevator mentioned above. This terminal has a capacity of 1,750,000 bushels as against a capacity of 3,550,000 for the terminal elevator previously owned.

Arrangements have been made to purchase for cancellation on March 1, 1948, $900,000 2½% first-mortgage serial bonds due Jan. 1, 1948-56 as a result of sale of the terminal elevator, Mr. Murphy states.

The result of these transactions will be to place your company in a substantially-improved liquid position with a capital structure well suited to its continued activities in the grain business, he adds.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GOODYEAR TIRE & RUBBER CO. OF CANADA 1947 net profit was more than double that of the previous year. Sales were abnormally high; the fact that the company's plants at New Toronto and Bowmanville were shut down for approximately four months during 1946 due to strike conditions, had the effect of throwing into 1947, sales and profits which would otherwise have been made in 1946.

Inventories on hand and forward commitments are in a satisfactory position in relation to prices current at years end, President A. G. Partridge states. The mill at St. Hyacinthe operated at full capacity throughout the year in producing both cotton and rayon cord fabrics, but there is a continuing need for expansion of rayon yarn production in both Canada and the United States.

Capital expenditures during the year totalled in the net $3,154,836, the required funds being provided partly out of profits retained in the business, and partly from proceeds of sale of preferred stock.

The airfoam plant is in operation. Construction of pliofilm plant has been completed and most of the machinery installed. A new factory project for manufacture of molded rubber goods is under way at St. Malo, Que. Completion of these projects will place the company in a position to meet adequately all competition in present products and also allow it to enter new markets with new products, Mr. Partridge states.

The company has developed and introduced a new kind of tire—Goodyear Super-Cushion tire — which has met general acceptance from motor car manufacturers.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	§$8,106,155	$5,570,240
Less: Deprec.	816,667	683,951
Prov. for conting.	......	500,000
Income taxes	3,358,240	2,726,276
Net profit	§3,931,248	1,660,013
Less: Pref. divd.	270,000	269,649
Com. divd.	2,572,600	1,029,040
Surplus for year	1,088,648	361,324

§Incl. nonoperating income of $308,904.

Earnings per Share and Dividend Record:

	1947	1946
Preferred	‡$22.64	$15.09
Paid (new)	2.00	1.00
Paid (old)†	....	1.25+0.211*
Common	‡12.83	5.40
Paid	4.00+6.00	4.00

†Old 5% pref. stk. red. July 31, 1946.

*Paid on redemption.

‡Excl. nonoper. income of $308,904; com., after deducting full year divd. requirement on present o/s pref.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$1,528,830	$1,481,698
Accts. rec.	4,095,758	3,818,200
Inventories	9,902,185	7,265,098
Total curr. assets	15,526,773	12,564,996
Misc. assets▲	1,222,216	1,121,221
Fixed assets*	8,211,544	5,873,375
Total assets	24,960,533	19,559,592
Accts. & tax. pay.	$3,921,574	3,235,497
Divds. pay.	1,109,040	55,000
Total curr. liab.	5,030,614	3,290,497
Contingent res.	1,000,000	1,000,000
Capital stock	8,128,630	5,628,630
Capital surplus	692,350	618,903
Surplus▲	10,108,939	9,021,562
▲Incl. ref. EPT	835,440	836,711
*After depr. of	13,193,702	12,686,772
Working capital	10,496,159	9,274,499

FAIRCHILD AIRCRAFT shows a net loss of $825,387 in year ended June 30, 1947. Net loss was $312,294 in later period July 1 to Nov. 15, 1947.

Fixed assets, including 325,000 square feet of floor space in the plants, are shown at a net value of $425,413. On the basis of present-day values, directors consider their value much greater, and are investigating every means of best realizing this, President and Managing Director H. M. Pasmore stated in annual report.

Cancellation of the Crew Trainer contract in December, 1946, threw full plant overhead on the Husky aircraft operation, a burden which it had not been intended to bear. Twelve Husky planes were constructed but past experience made it clear that its manufacture as the company's sole product was not economically possible. Manufacture of prefabricated housing was discontinued in June, 1946.

The millwork division was closed in 1947 through failure of anticipated business to materialize. Manufacture of many other products has been investigated but nothing has yet been found which could be put into production in sufficient volume to occupy the facilities economically, without investment of substantial additional capital. None of the products was sufficiently attractive to warrant the raising of additional capital, Mr. Pasmore stated.

CONS. INCOME ACCOUNT

Years Ended June 30:	1947	1946
Deficit earnings	$304,365	$624,448
Add: Depreciation	11,120	12,496
Mtge. int.	1,584	......
Bank interest	14,556	3,536
Devel. expend.	493,762	......
Less: Divd. rec.	......	26,972
Inc. tax recov.	......	398,254
Trans. inv. res.	......	57,880
Prof. on bd. sale	......	1,733
Net loss	825,387	155,641
Add: Divd.	......	31,950
Deficit for year	825,387	187,591

Earnings per Share and Dividend Record:

	1947	1946
Earned	d$6.46	d$1.22
Paid	......	0.25

CONDENSED CONS. BALANCE SHEET

As at June 30:	1947	1946
Cash	$15,558	$44,588
Accts., etc., rec.	179,411	1,254,949
Inventories	357,611	1,901,088
Total curr. assets	552,580	3,200,625
Misc. assets▲	8,641	313,900
Fixed assets*	510,636	308,439
Deficit	272,004	......
Total assets	1,343,861	3,822,964
Bank loan	176,509	520,959
Accts., tax., etc., pay.	346,352	2,124,717
Total curr. liab.	522,861	2,645,676
Mortgage	182,000	......
Capital stock	639,000	639,000
Earned surplus▲	......	538,288
*After depr. of	527,600	535,714
▲Incl. ref. EPT	......	75,882
Working capital	29,719	554,949

VANADA MINING CO. has resolved to wind up and Ross Thompson, Vancouver, has been appointed liquidator.

Saskatchewan Expenditure And Revenue at New Peak

From Our Own Correspondent

REGINA — Saskatchewan government receipts and expenditures reached new highs in the 11-month period ending March 31, 1947, the public accounts reveal.

Expenditures were $39,406,665, against $38,784,814 for the full fiscal year 1945-46. Last year the province closed its books a month earlier than heretofore, to bring its fiscal year into conformity with that of the Dominion. For a full 12 months, its expenditures, at the rate of $3,582,424 monthly, would have run close to $43 millions. Expenditures in 1943-44, the last pre-CCF year, were $29,799,960.

Biggest disbursement last year was $6,436,556 by the Social Welfare Department ($6,342,661 for the full year 1945-46).

The Public Health Department was next, with $6,027,584 ($3,740,748). The Education Department spent $5,706,090 ($5,389,600); Highways Department $4,463,998 ($3,908,368).

The summary of bonded debt disclosed outstanding provincial debentures of $122,057,360 and Saskatchewan Government stock of $7,242,413 ($112,550,720 and $7,242,413). Interest paid on bonded debt of $129,299,773 was $4,155,713 ($4,973,027 on $119,797,133).

Revenue in the 11 months was $39,527,696, also highest in the province's history ($39,275,647 for 1945-46). The Treasury Department led the field with receipts of $22,039,410 ($21,449,901). Included in this total was education tax, $5,433,357 ($5,592,244).

The Dominion subsidy for the year was shown at $7,852,829 ($8,469,832). Social Welfare Department receipts were $3,374,264 ($3,197,431). This included advances from the Dominion for its share of old age pensions. Natural Resources Department revenues totalled $2,418,480 ($2,151,416).

New Statistical Bulletin Covers 56 Countries

Financial and trade statistics of 56 countries are available in a new monthly bulletin "International Financial Statistics" published by the International Monetary Fund at Washington. The first volume contains 155 pages. Figures given are unusually up-to-date for a publication covering a world wide field, in many cases being up to the end of November 1947 and in some cases to Dec. 31. Topics dealt with specially are exchange rates, gold and foreign exchange, government dollar bonds in New York. Data regarding individual countries include gold holdings, bank deposits, indexes of prices, trade and industrial productions.

Current data are obtained from a world wide system of cable reporting.

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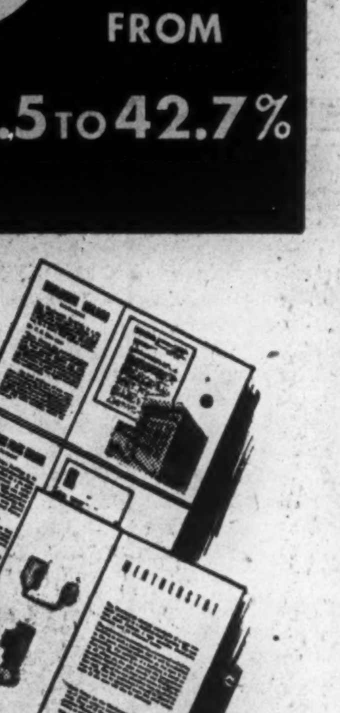

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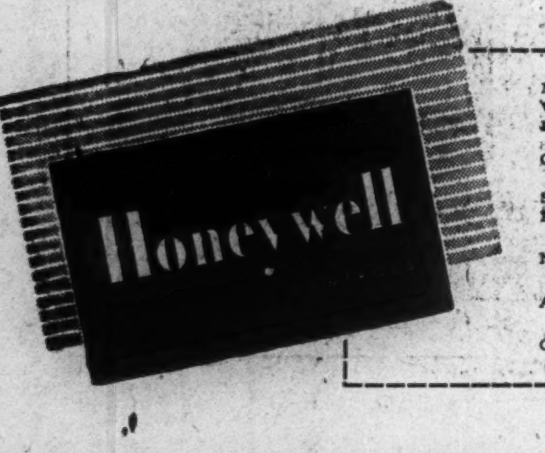
Your copy of the Honeywell Weatherstat booklet will be sent by return mail . . . just use the coupon. After you have read it we shall be glad to make a survey of your building without obligation. Send coupon to-day to Minneapolis-Honeywell Regulator Company Limited, Vanderhoof Avenue, Leaside, Toronto 12, Ontario. Branches Montreal, Winnipeg, Calgary and Vancouver.



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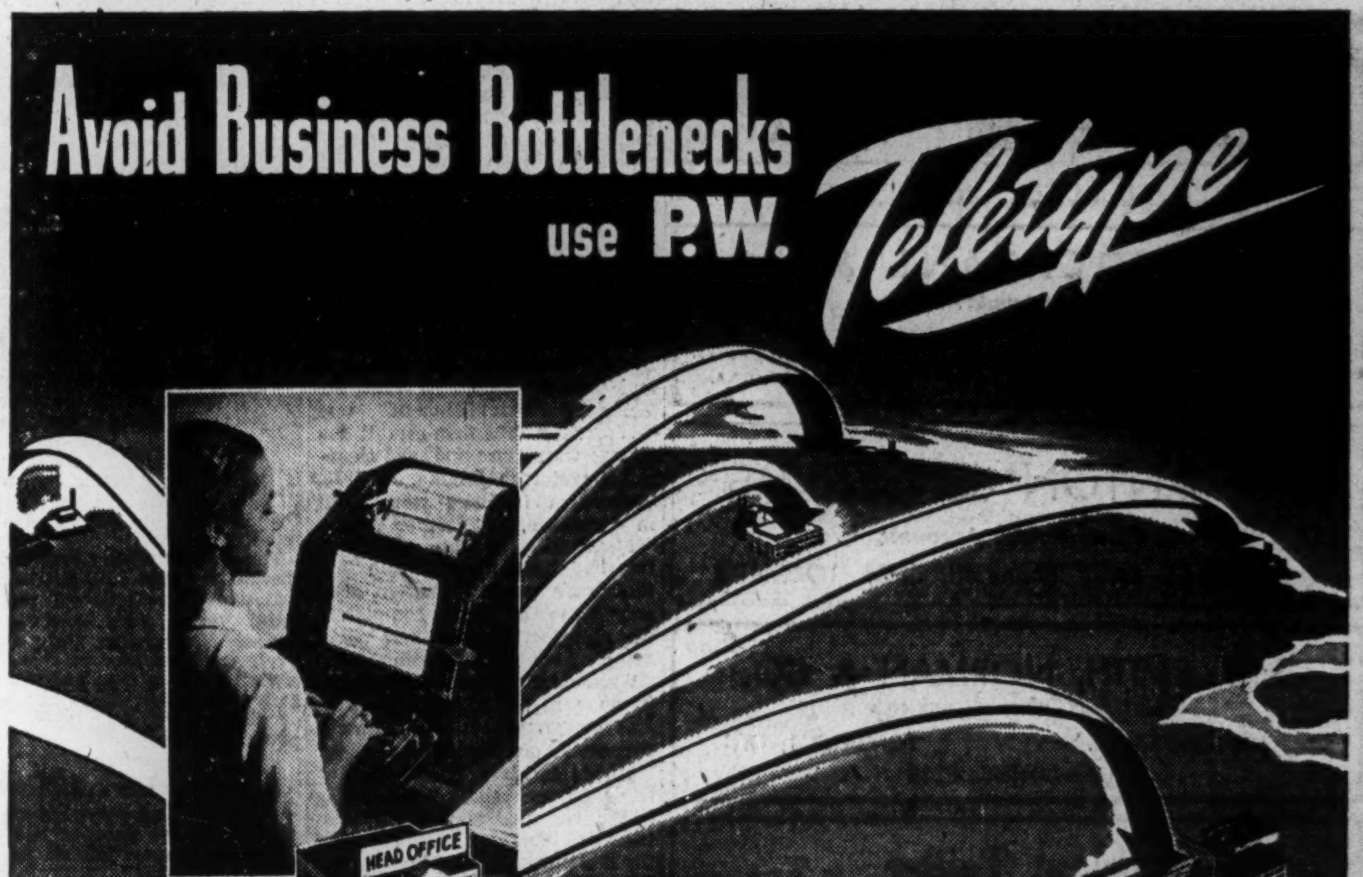

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LAKE WASA MINING CORP. has received payment for balance of underwriting on 125,000 shares at 65 cents per share under agreement with Towagamac Exploration Co. Issued capital is 2,488,959 shares.

How to Draw More Tourists?

The Question: What major projects, public or private, are desirable to maximize tourist inflow?

More and better highways, and improved accommodation, are first "musts" for increasing tourist traffic in a year in which it can greatly help to alleviate Canada's dollar problems. This is the verdict of a majority of representative Canadians questioned by The Financial Post on the subject. Many favored government regulation and inspection of tourist resorts, to ensure proper standards of accommodation; and some urged special training courses for hotel and resort proprietors. Other suggestions included: adequate publicity, both at home and abroad, bring Canada's attractions to the eyes of prospective visitors; courtesy and hospitality on the part of all Canadians, to tourists; and elimination of unnecessary red tape in immigration offices.

V. A. AINSWORTH, Division superintendent, Maritime Electric Co., Charlottetown, P.E.I.

Provincially we need several large cottage groups, attractively designed and landscaped, strategically planned and located, to take advantage of the natural layout for appropriate recreational pursuits. Public funds might aid these projects, and could assist in training management and staffs. There is great need for a large hotel or semiluxury cottage development in the National Park area of the province, which should be largely a public project. There is general need to educate those engaged in this business to the need of high-grade meals readily available, and better accommodation. Their goal might be the hotel type service with cottage privacy plus good recreational facilities.

* * *

Hon. W. S. ANDERSON, Minister of Public Works, Fredericton, N.B.

In our opinion, more hard surface roads, more and improved hotel and tourist accommodations, national parks as well as other recreation centres are necessary to create a maximum tourist inflow.

* * *

J. R. BURNETT, Editor and Managing Director, The Guardian, Charlottetown, P.E.I.

The major projects necessary to produce maximum tourist inflow are improved highways, byways and hotel accommodation. Good cooking is a sine qua non. Holidaymakers generally and United States tourists in particular, travel by car on vacation usually where there are good roads, and hotels equal or superior to those to which they are accustomed. Provincial governments must see to this. Prince Edward Island has inaugurated both projects. Loans on easy terms are granted tourist hotel builders and for improvement of existing premises. This will be followed by periodic inspection, with further loans to be granted to enable hotelkeepers to carry out the inspector's recommendations. Licenses should be issued according to grade, first, second and third class hotels.

* * *

L. B. CALNAN, Picton Gazette, Chairman Prince Edward County Publicity Committee.

Public projects might include proper marking of historic sites with good printed publicity material related thereto, available. Road markers should point the way. Better marking of roads is needed, especially indicating the route to boats and fishing, golf and other recreation. To avoid dissatisfied tourists, grading and certification of tourist accommodation is recommended. Health regulations should be enforced. Building of highways along scenic routes advocated, wherever possible. Private enterprises called upon to furnish more and better accommodation, with wholesome, hearty meals. Many centres would obtain tourists by boat if there were better harbor facilities, as has been found the case in Picton. Publicity is of extreme importance, and films should be utilized, as well as printed matter. A number of smaller projects might prove better than one or two major ones, as a wider area would be served.

* * *

GERTRUDE CHARTERS, Editor, Herald Tribune, Grand Prairie,

A major public project for maximum tourist traffic here is an all-weather south-north trans-Canada highway from the border to Alaska (only one in Canada), necessitating immediate construction of a bridge over Smoky River at Goodwin—the only river still served by an inadequate ferry on the route; shortening of the present highway north from Edmonton by building the Whitecourt cut-off; direct railway outlet to Vancouver from the Peace River country; completion of the Hart highway. Private projects: first-class tourist accommodation, publicity to make residents tourist-conscious of their historic and scenic attractions; stress good neighbor policy; no skin games; local tourist publicity material at every gas pump.

R. A. GYLES, Manager, Westeel Products Ltd., Saskatoon.

I consider a hard-surfaced road from the United States boundary to Prince Albert National Park the most desirable project. This should be brought about by federal and Saskatchewan provincial arrangement. On parts of roads which are not hard-surfaced, this work should be started as soon as possible in the spring, and rushed to completion. First-class tourist camps can be listed as a major private project along this route. Federal Government appropriations at Prince Albert National Park are inadequate.

* * *

W. MACKENZIE, Mayor, Medicine Hat, Alta.

All that is required to increase tourist traffic is construction of a paved trans-Canada highway with connecting all-weather roads to United States border points. Due to impassable roads, Montana license plates are seldom seen in Medicine Hat, only about 100 miles from Havre, Montana.

* * *

ARTHUR J. REAUME, Mayor, Windsor, Ont.

Nothing is more depressing in tourist promotion than poor highways and poor public transportation facilities. I would urge a public project of vigorous and speedy improvement of highways in each province, providing for safer travel and more direct cross-area routes. The Federal Government should construct a trans-Canada highway connecting provincial links. There should be more public recreational areas on highways and elsewhere, with modern facilities such as in the United States. Communities should make their own improvements, to increase attractiveness to visitors. Private facilities must be more competitive in appearance and service. I wish to commend Ontario and other provincial regulations governing facilities but feel they should be more rigid to impress owners that service and facilities must favorably represent the wide effort expended to promote traffic.

* * *

LEO SWEENEY, President, Vancouver Tourist Association.

In my opinion the tourist industry of Canada can be developed into a billion-dollar business because we have all the God-given advantages and varieties of scenery, natural resources and climate that are so delightful and attractive to a potential market of unlimited millions just south of the border. To develop this market intelligently we should provide better roads, attractive and clean gas stations, good food with local tags, not imitations of foreign brands and dishes; also adequate and increased motels, hotels and lodges; and, most important of all, a cheerful word and a smiling face, which spell hospitality and courtesy unlimited.

* * *

A. WIDNALL, Manager, Parks Board, Fort William, Ont.

A paved, all-year highway from coast to coast, with paved trunk highways from all ports of entry would increase the tourist business. This will not only increase U. S. tourist travel by making it possible for visitors to make circle tours of interest, but will also stimulate Canadian travel which, in the final analysis, will lengthen the tourist season, thereby encouraging a greater investment in modern tourist camps, resorts and holiday hotels. Existing hotel and restaurant menus should be printed in U. S. newspapers and magazines, confirming the fact that there is plenty of wholesome food and accommodation, at reasonable rates.

* * *

H. G. B. WILCOX, Board of Trade, Windsor, N.S.

Cleaner and better hotel and tourist cabin accommodation in attractive locations with more thorough inspection, to get higher standards of shelter and service; improved angling, changes in accessible lakes, streams and rivers, by greatly increased stocking; improved secondary roads through attractive scenic places with underbrushing 200 feet from both sides of the roads through wooded sections and around lakes and streams; cleaning up roadsides and removing unsightly tumble-down buildings; more road direction markings; signs on bridges, showing river and stream names; roadside drinking water springs; markings for picnic camping or trailer stops; better rail, water and air service

* * *

W. J. WILSON, Sec. Treasurer, Thousand Islands, St. Lawrence River, Rideau Lakes Assoc., Gananoque, Ont.

As a private project, every resort area should develop through education of people and their community, the value of the tourits business; create an attitude of courtesy and goodwill by more personal contact with guests, favorable impression of hospitality, and attractions of a resort. Our community will naturally influence tourists on their return home to maintain pleasant memories of their visit and create a desire on the part of friends they contact to send more general information re spending a vacation at a resort so highly recommended.

As a public project, we should arrange to have citizens, representatives of Dominion and provincial travel bureaus and tourist departments plan goodwill trips to other countries, especially our good neighbors in the United States; deliver addresses at service clubs, chambers of commerce, hotel and tourist conventions as to the ideal location of Canada as a vacation centre; and maintain contacts with recognized travel bureaus. In advertising a resort or district, do not over-rate the location, and attractions. Rather, have a visitor feel he has received treatment even better than advertised.

* * *

WOODROW A. WILSON, President, Light Plane Service, Sudbury, Ont.

It is my opinion that all advertising and publicity concerning tourist trade should be handled exclusively by individual operators, who are in a position to know what they have to offer tourists. Good roads into the north country are essential and would go a long way toward encouraging visitors.

* * *

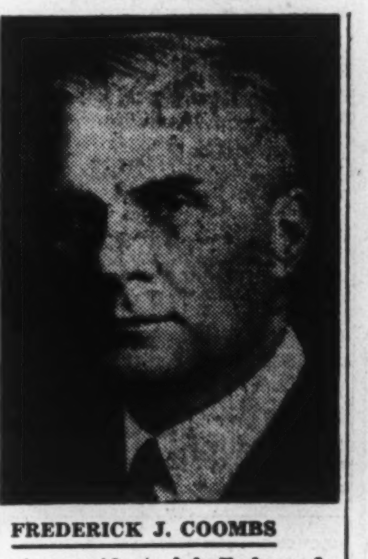
F. G. WINSPEAR, Chartered Accountant, Edmonton.

Best publicity is the satisfied tourist. Public and private institutions and every individual Canadian should be regarded as a mixture of genial host and a storekeeper displaying his wares. A carefully designed highway program leading to tourist resources should include a trans-Canada route such as that advocated through the Yellowhead Pass and should be undertaken jointly by Dominion and provinces. Operators of tourist accommodation and automobile service facilities should be encouraged or required to provide suitable and adequate services. Immigration and custom officials should guard against irksome delays and an irritating attitude.

* * *

GEOFFREY H. WOOD, President, G. H. Wood & Co., Toronto.

You have to make calls if you want to get results in selling the advantages which Canada has to offer the tourist for a memorable and a most enjoyable holiday. International service clubs would undoubtedly be pleased to inaugurate a "come to Canada" week, in which they would provide their foreign-associated clubs with graphic and informative data including literature to be distributed to each member, with the request, if he is a businessman, to post the illustrations on the company's notice board. If a Canadian spokesman could address these clubs, the results would be even greater. Leading U. S. manufacturers who sponsor outstanding radio programs would undoubtedly be pleased to put in the occasional plug for holidaying in Canada. The CBC with its large U. S. listening audience, has a marvelous opportunity for a real contribution. Hollywood, if approached properly, could and would do an even bigger job through news reels and other media. The good advertising currently appearing in many U. S. newspapers, magazines and journals has excellent pulling power and its continuity is very important. Canada, from the Atlantic to the Pacific, has limitless opportunities for holidaying; but unfortunately, this is not too well known to our prospective visitors, so we should use every possible medium to highlight "Come to Canada" continually.



FREDERICK J. COOMBS

vice-president of A. E. Ames & Co., has been appointed chairman of the board of Monarch Knitting Co.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ASBESTOS CORP. 1947 net profit was 14.8%. The market for asbestos further increased during the year, with the result that shortage in supply was accentuated. Every effort was made to increase production, but increased milling capacity cannot be constructed quickly and it would appear that the shortage will continue through 1948, President R. W. Steele, states. Increase in demand for asbestos shorts is attributable to their use in plastics and in floor tiles, the latter business showing a phenomenal growth, it is stated.

Costs continue to mount both in materials and labor. A new labor contract was negotiated at the beginning of 1948 at rates much higher than before. To meet higher costs it was necessary to increase selling prices substantially. The program of improvement and extension, involving total expenditures of about $2 millions, has been begun, and some of the work done, but delays of various natures have placed the company somewhat behind schedule. Substantial progress is expected during 1948.

Up to the present, foreign exchange difficulties have had little effect on company business; but some slowing up of releases from sterling areas may develop. Prospects, however, for the coming year seem reasonably bright, Mr. Steele says.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$2,309,695	$1,973,933
Less: Depreciation	368,698	320,931
Pension fund	75,000	75,000
Expl. exp.	125,242	91,323
Taxes	491,100	568,000
Add: Exch. prof.	......	34,502
Net profit	1,249,655	953,181
Less: Dividends	960,000	840,000
Surplus for year	289,655	113,181
Earnings per Share and Dividend Record:		
Common: Earned	$2.08	$1.59
Paid	0.85+0.75	0.80+0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$3,875,085	$4,054,822
Accts. rec.	1,144,231	913,664
Inventories:		
Asbestos	85,747	74,776
Materials, supp.	917,763	681,020
Total curr. assets	6,022,826	5,724,282
Misc. assets†	52,595	73,307
Fixed assets*	4,198,078	3,995,101
Total assets	10,273,499	9,792,690
Accts. & bills pay.	776,954	642,130
Prov. for taxes	213,837	178,366
Prov. for exten.	250,000	......
Total curr. liab.	1,240,791	820,496
Gen. reserve	1,150,000	1,150,000
Capital stock	5,512,714	5,512,714
Distributable surp.	1,000,000	1,000,000
Earned surplus	1,369,994	1,309,480
†Shown as current asset in co's. report.		
*After depl., depr.	7,212,627	6,843,928
Working capital	4,782,035	4,903,786

TABER SCHOOL DIVISION NO. 6, Alta. has sold a new issue of $40,000 one to 15 year 3¾% serial debentures to Tanner & Co., Calgary. Price was $98.45.

Planning for 1948?

For crawler tractors that will stand up under this year's brutal siege, get International Diesels.

Let them help you increase your production and profits. With ordinary care, they'll serve you season after season . . . faithfully and profitably.

Quick, all-weather starting; bulldogged power that lugs through under overload; fast, dependable operation; matchless maneuverability; and the kind of construction that will take the hard knocks of grueling jobs and ask for more! These are characteristics of International Diesel Crawlers which recommend them for your use.

INTERNATIONAL HARVESTER COMPANY
OF CANADA LIMITED
Hamilton Ontario

INTERNATIONAL INDUSTRIAL POWER DISTRIBUTORS: B. C. Equipment Company Ltd., Vancouver, B.C.; J. S. Galbraith & Company, Vernon, B.C.; Central Truck & Equipment Co., Nelson, B.C.; East Kootenay Equipment Company, Cranbrook, B.C.; Industrial & Road Equipment Ltd., Calgary, Alta.; R. J. Fyfe Equipment, Regina, Sask.; Kane-Marr Company, Winnipeg, Manitoba; Twin City Industrial Equipment Ltd., Port Arthur, Ontario; W. G. Reid, Fort Frances, Ontario; Soo Garage, Sault Ste. Marie, Ont.; W. L. Ballentine Company Ltd., 380 Fleet St. W., Toronto, Ont.; Chas. Cusson Limited, Montreal, Quebec; Lounsbury Company Limited, Moncton, N.B.; J. Clark & Son Limited, Fredericton, N.B.; Industrial Machinery Co. Ltd., Halifax, N.S.; Corner Brook Foundry and Machine Co. Ltd., Corner Brook, Nfld.

INTERNATIONAL POWER
CRAWLER AND WHEEL TRACTORS • DIESEL ENGINES • POWER UNITS

ATLAS STEELS
Makers of Fine Steels
ATLAS STAINLESS STEELS
100% Made in Canada
ATLAS STEELS LIMITED
WELLAND ONTARIO CANADA
WAREHOUSES: MONTREAL, TORONTO, HAMILTON, WINDSOR

The Signature of Industrialized Rubber
GUTTA PERCHA AND RUBBER, LIMITED
The Largest All-Canadian Rubber Company
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BELTING • HOSE • PACKINGS • MOULDED RUBBER PRODUCTS
ALSO FOOTWEAR TIRES AND AUTOMOTIVE ACCESSORIES

POSTERS ARE THEIR OWN BEST "AD"

because...

THEY WORK

OUTDOORS

It is a proven fact that more than 80% of Canadians go outdoors during any 24-hour day. And that's where Posters are.

With Posters you can dramatize your product in giant size and full colour to 8 out of 10 people, daily.

4A-48

POSTERS STAY OUTDOORS

POSTER ADVERTISING ASSOCIATION OF CANADA
80 Richmond Street West - Toronto

DIVIDEND NOTICES

Gatineau Power Company

Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares.

Quarterly dividends have been declared of $1.25 a share on the 5% Cumulative Preferred Shares, $1.37 a share on the 5½% Cumulative Preferred Shares and 30c a share on the Common Shares, in each case payable April 1, 1948 to holders of record at the close of business March 1, 1948. Cheques in payment will be mailed. Stock Transfer Books will not be closed.

J. R. BINKS,
Secretary.

Montreal, Canada,
February 18, 1948.

Belding-Corticelli Limited

Notice of Preferred Stock Dividend No. 183

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for quarter ending 29th February, 1948.

Notice of Common Stock Dividend No. 88

A dividend of one and a half per cent (1½%) has been declared on the Common Stock of this Company, for quarter ending 29th February, 1948.

The above dividends are payable on the 1st day of April, 1948, to Shareholders of record at the close of business the 29th day of February, 1948.

By Order of the Board.

D. F. POLLOCK,
Secretary.

Unclaimed Dividends and Capital Distributions of Amalgamated Oils Ltd.

(In Liquidation)

are being held for delivery to certain shareholders because:

They have changed their addresses and have not advised the Company or its transfer agent.

They have not exchanged their shares in the predecessor companies for shares in this company.

Predecessor Companies Are:

FOUNDATION PETROLEUMS Ltd.
MONARCH ROYALTIES Ltd.
FIRESTONE PETROLEUMS Ltd.
SPY HILL ROYALTIES Ltd.
WEST FLANK OIL COMPANY Ltd.
PRAIRIE ROYALTIES Ltd.
CORONATION ROYALTIES Ltd.
SUNDANCE ROYALTIES Ltd.
FRONTIER ROYALTIES Ltd.

Exchange of shares and changes of address are handled by the Crown Trust Company, Calgary, Alberta, Transfer Agent.

AMALGAMATED OILS LIMITED
(In Liquidation)
Calgary, Alberta

CANADA WIRE & CABLE COMPANY LIMITED

DIVIDEND NOTICES

CLASS "A" COMMON—NO. 67

Declared and set aside on Class "A" stock—$4.00, of which $1.00 is to be paid on the 15th of March to Shareholders of record February 29th, 1948.

CLASS "B" COMMON—NO. 27

An interim dividend of 25c was declared on Class "B"—payable on the 15th of March, 1948, to Shareholders of record February 29th, 1948.

By order of the Board.

A. I. SIMMONS,
Secretary.

Toronto, February 11, 1948.

LEWIS BROS. LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that a dividend for the first quarter of twenty-five cents (.25) has been declared on the Company's outstanding shares, payable April 30th, 1948, to Shareholders of record March 31, 1948.

By order of the Board.

H. A. FORD
Secretary-Treasurer.

Montreal, February 17, 1948.

Chartered Trust and Executor Company

DIVIDEND NO. 117

NOTICE is hereby given that a dividend of 1¼% has been declared on the paid-up Capital Stock of the Company for the quarter ending March 31st, 1948, payable April 1st, 1948, to shareholders of record at the close of business March 15th, 1948.

By Order of the Board,
H. G. SOWARD,
Secretary.

Dated at Toronto,
January 20th, 1948.

The Monarch Knitting Company, Limited

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the 4½% cumulative redeemable sinking fund preference shares:

A quarterly dividend of $1.12½ per share for the quarter ending March 31, 1948, payable on and after April 1, 1948, to the holders of record at the close of business on March 1, 1948.

On the common shares:

A quarterly dividend of 25c per share for the quarter ending March 31, 1948, payable on and after April 1, 1948, to the holders of record at the close of business on March 1, 1948.

By Order of the Board.

D. A. McINTOSH,
Secretary.

Toronto, February [illegible], 1948.

DIVIDEND NOTICES

National Steel Car Corporation Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of thirty-seven and one-half cents (37½c) per share has been declared for the quarter ending March 31, 1948, payable on April 15, 1948, to shareholders of record at the close of business March 15, 1948.

By Order of the Board.

H. J. FARNAN,
Secretary.

Sick's BREWERIES LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a Common Dividend (No. 75) of 20 cents per share on the No Par Value Common shares of the Company, issued and outstanding, has been declared payable on the 31st day of March, 1948, to Shareholders of record at the close of business on the 27th day of February, 1948.

By Order of the Board.

I. N. WILSON,
Comptroller.

CALGARY, Alberta,
February 20th, 1948.

CANADIAN PACIFIC RAILWAY COMPANY

DIVIDEND NOTICE

At a meeting of the Board of Directors of Canadian Pacific Railway Company held today a final dividend of three per cent (seventy-five cents per share) on the Ordinary Capital Stock in respect of, and out of earnings for the year 1947 was declared payable in Canadian funds on March 31, 1948, to Shareholders of record at 3 p.m. on February 23, 1948.

The Directors consider it desirable to point out that this dividend of three per cent making a total dividend payment of five per cent in respect of operations for the year 1947 is made possible only by income from sources other than railway operations. Continued increases in gross earnings from freight traffic had been largely offset by decreases in passenger traffic and by increases in wages and the cost of materials and supplies.

By Order of the Board.

FREDERICK BRAMLEY,
Secretary.

Montreal, February 9, 1948.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

PREFERRED STOCK

NOTICE is hereby given that a dividend of 23.4375c per share has been declared on the issued Preference Shares of the Company, being at the rate of Three and Three-quarters per cent (3¾%) per annum, for the first quarter ending March 31st, 1948. The above dividend is payable in Canadian Funds, April 1st, 1948, to shareholders of record at the close of business on the 4th day of March, 1948.

H. H. BRONSDON,
Secretary.

Dated at Toronto,
February 19th, 1948.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

COMMON STOCK

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the issued No Par Value Common Stock of the Company for the first quarter ending March 31st, 1948. The above dividend is payable in Canadian Funds, April 1st, 1948, to shareholders of record at the close of business on the 4th day of March, 1948.

H. H. BRONSDON,
Secretary.

Dated at Toronto,
February 19th, 1948.

CANADIAN REFRACTORIES LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that the Board of Directors has declared a quarterly Dividend of $1.12½ per share on the outstanding 4½% Cumulative 1st Preferred Shares of the Company, payable on April 15, 1948, for the quarter ending March 31, 1948, to Shareholders of record on March 27, 1948.

By Order of the Board,
J. M. KILBOURN,
Secretary.

MacKINNON STRUCTURAL STEEL CO. LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of one and one-quarter per cent (1¼%) has been declared on the 5% Cumulative Sinking Fund Redeemable Preferred Stock of MacKinnon Structural Steel Co. Limited, payable March 15, 1948, to shareholders of record February 28, 1948.

By Order of the Board of Directors,
J. G. SCORER,
Secretary.

Montreal, February 20, 1948.

Hollinger Consolidated Gold Mines, Limited

DIVIDEND NUMBER 395

A dividend of 6c per share has been declared by the Directors on the Capital Stock of the Company, payable on the 31st day of March, 1948, to shareholders of record at the close of business on the 3rd day of March, 1948.

Dated the 20th day of February, 1948.

F. C. FINLAY,
Secretary.

DIVIDEND NOTICES

London Hosiery Mills, Limited

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of thirty-five cents (35c) per share has been declared on the outstanding no par value Common shares of the Company payable on the 1st day of April, 1948, to shareholders of record at the close of business March 15th, 1948, and an extra dividend of fifteen cents (15c) per share has been declared on the outstanding no par value Common shares of the Company payable on the 1st day of April, 1948, to shareholders of record at the close of business March 15th, 1948.

By Order of the Board,
H. F. RASMUSSEN,
Secretary-Treasurer.

London, Ontario,
February 18th, 1948.

London Hosiery Mills, Limited

DIVIDEND NOTICE

Notice is hereby given that the regular quarterly dividend of twenty cents (20c) per share has been declared on the outstanding no par value Class A shares of the Company payable on the 1st day of April, 1948, to shareholders of record at the close of business March 15th, 1948.

By Order of the Board,
H. F. RASMUSSEN,
Secretary-Treasurer.

London, Ontario,
February 18th, 1948.

The Great West Saddlery Company Limited

6% Cumulative Second Preference Stock ($[illegible] par Value)

A dividend at the rate of six per cent (6%) per annum being the accumulated dividend for the three months ending March 31st, 1948, on the Second Preference Stock, has been declared and authorized to be paid on March 31st, 1948, to all Second Preference Shareholders of record with the Transfer Agents of the Company at the close of business on February 28th, 1948.

By Order of the Board.

J. C. BROADFOOT,
Secretary.

Winnipeg, Man.
February 20, 1948.

The Calgary & Edmonton Corporation Limited

Notice is hereby given that a dividend of five cents per share was declared on the 12th day of February, 1948, payable on the 15th day of April, 1948, to shareholders of record at the close of business on the 12th day of March, 1948.

The Transfer Books of the Corporation will be closed from the close of business on the 12th day of March, 1948, to the opening of business on the 24th day of March, 1948.

BY ORDER OF THE BOARD,
[illegible], Secretary.

DATED at Winnipeg, Manitoba, this 27th day of February, 1948.

THE WABASSO COTTON COMPANY, LIMITED

NOTICE OF DIVIDEND

A quarterly dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of THE WABASSO COTTON COMPANY, LIMITED, payable on the 1st April, 1948, to shareholders of record as at close of business on the 13th March, 1948.

By Order of the Board.

H. W. CAPEL,
Secretary-Treasurer.

Montreal, Que.
19th February, 1948.

PRESTON EAST DOME MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 34

NOTICE is hereby given that a dividend of one and one-half (1½c) cents per share has been declared on the issued Capital Stock of the Company, payable in Canadian funds April 15th, 1948, to shareholders of record at the close of business on the 15th day of March, 1948.

By Order of the Board.

L. I. HALL,
Secretary.

Toronto, February 20th, 1948.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

THURSDAY,
THE
FIRST DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March, 1948.

By order of the Board.

WALTER F. WATKINS,
Secretary.

TORONTO, February 18th, 1948.

Anglo-Canadian Oil Company LIMITED

NOTICE OF DIVIDEND No. 9

NOTICE is hereby given that a dividend of five cents (5c) per share will be paid by the Anglo-Canadian Oil Company Limited, on or after the 8th day of April, 1948, to shareholders of record as of the 25th day of March, 1948. Payment is subject to the approval of the Foreign Exchange Control Board.

DATED at Calgary, Alberta, this 14th day of February, 1948.

By Order of the Board of Directors.

J. W. DICK,
Secretary.

TRANSFER AGENTS
Crown Trust Company, Calgary, Alberta

'Peg Electric Asks Authority To Up Fares

'Only Alternative to Bankruptcy,' If Wage Boosts Are Granted

From Our Own Correspondent

WINNIPEG — Faced with a demand for wage increases representing nearly $2 million a year, Winnipeg Electric Co. has filed an application for increase in fares with the Municipal and Public Utility Board. The increases asked are:

City of Winnipeg zone fares: 10 cents cash, three tickets for 25 cents; children under five free, and between five and 12 cash five cents or tickets six for 25 cents. These rates are to apply to elementary and high school students on school days only and then only between 8 a.m. and 5 p.m.

Suburban zone fares: adults, cash five cents, tickets six for 25 cents, one ticket required for each zone; children under five, free; between five and 12 inclusive, cash five cents, tickets six for 25 cents, payment of one fare to permit children to ride in two zones instead of one as at present. Same zone fares apply to elementary and high school students on school days between 8 a.m. and 5 p.m.

The present fares in the city are 10 cents cash or two tickets for 15 cents. Monthly tickets at $6 each are issued, good at any time during the month. Weekly permits at 25 cents a week are issued and holders pay a five-cent cash fare in addition. The company proposes to discontinue issue of both monthly and weekly tickets.

The company estimated the fares applied for will yield an increase in passenger revenue of $480,000 a year, not enough, it says, to give a fair return for the transportation system but possibly enough to help take care of higher wages, higher costs of materials and equipment, taxes, licenses, depreciation, and bond interest. Interest obligations on the transportation system are 3¾% on $6 million bonds; $225,000 a year.

Wage increases asked are about the equivalent of 40 cents an hour for each of 2,000 employees. The company contends it cannot pay this without facing bankruptcy, at present fare levels.

These levels were set in 1931 when average wage of employees wes 56 cents an hour. Last year it was 89 cents and the company says there is every indication it will be $1 this year. Since 1931 group insurance and sick benefits have been established to which the company makes contributory payments; retirement allowances, additional reporting time, higher pay for work on Sundays and statutory holidays; bigger overtime allowances, and two weeks holidays with pay.

In 1930 cost of motor bus equipment cost about $300 per seat. A 25-passenger motor bus could be bought for $7,500 or less. Today the company says bus equipment costs close to $500 a seat. Recently it purchased five 36-passenger buses at Fort Willian at a laid-down cost in Winnipeg of $97,000 or $19,200 each; a cost of $535 a seat.

The Municipal and Public Utility Board has pointed out that it has no jurisdiction to hear the application, in view of a long-standing agreement between the city of Winnipeg and the company, which requires the City Council to file its consent with the Board prior to the application.

DONALDA MINES has started negotiations for treating its ore on a customs basis in a presently idle 500-ton daily capacity mill on a neighboring property. Necessary sampling and other equipment for handling ore from other properties in the area is to be installed in the mill, which is expected to start operating in early summer.

Treatment of Donalda ore on the proposed basis would obviate necessity for considerable capital expenditure involved in erecting its own mill. Diamond drilling from surface of the Donalda is reported to have indicated 550,000 tons in main ore structures with estimated grade around $7 per ton.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

NOTICE is hereby given that a quarterly dividend of Twenty-five cents (25c) per share (being at the rate of $1.00 per share per annum) has been declared for the quarter ending March 31st, 1948, on all issued common shares of the Company payable on Saturday the 27th day of March, 1948, to shareholders of record at the close of business on Friday, the 12th day of March, 1948.

By order of the Board.

N. G. BARROW,
Secretary.

TORONTO, February 24th, 1948.

FRASER COMPANIES, LIMITED

DIVIDEND NOTICE

NOTICE IS hereby given that FRASER COMPANIES, LIMITED, has declared a dividend of 75c per share on the Common Stock of the Company for the quarter ending March 31st, 1948, and an extra dividend of 50c per share applicable to the earnings of the last six months of 1947, both of which are payable on April 26th, 1948, to shareholders of record on March 31st, 1948.

By Order of the Board.

G. G. GILLIES,
Secretary.

Edmundston, N.B.
February 20th, 1948.

OSC Reports Its Reasons For Suspending Salesmen

Releasing written reasons for its decisions, the Ontario Securities Commission announces that:

E. G. Zavitz, salesman of London, Ontario, has had his registration suspended for a period of six months from Feb. 23, 1948, by order of the chairman;

Frank Kaftel, Toronto, again has been refused registration as a broker on a review of a previous decision;

Norman Osheroff and Louis Wineberg, Toronto salesmen, have had suspensions of their registrations for six months continued after a review of an order of the chairman.

Written reasons of the Ontario Securities Commission in these cases are as follows:

E. G. Zavitz,
Ram River Agencies

The Commission received complaints from various people in Woodstock, Ontario, regarding the selling methods of E. G. Zavitz and John Galbraith, salesmen of Ram River Agencies. In the main the complaints were to the effect that the salesmen agreed that they or Ram River Agencies would buy back the stock sold at the same price any time the purchasers requested them to do so. This procedure would of course constitute a violation of The Securities Act.

Unfortunately the matter was not put before the Commission in an effective way until the limitation period had expired. That being the case, the Commission does not propose to recommend to the Attorney-General that a prosecution be directed.

However, the evidence obtained upon the investigation is convincing that disciplinary action should be taken. Accordingly the registration of Mr. Zavitz will be suspended for a period of six months from this date. Mr. Galbraith having left the security business in the meantime, the Commission has no jurisdiction to take any disciplinary action in his case.

This Order being made by the Chairman, Mr. Zavitz may apply for a review by the full Commission in accordance with the terms of the Act, if so advised.

Frank Kaftel
Standard Securities

Mr. Kaftel who is an American citizen, held registration as a salesman with the Commission until he allowed it to lapse on Aug. 13, 1945. He applied for registration as a broker on Nov. 20, 1946, and was refused. He applied for review of this decision but gave notice of abandonment of the application on Jan. 30, 1947. He once again made application for registration sub nom. Standard Securities and was again refused on Dec. 20, 1947. Having asked for a review of this decision, he appeared before the full Commission on Jan. 20, 1948.

We see no necessity to go exhaustively into his record while registered as a salesman with the Commission. Neither do we deem it necessary to deal in detail with his record when registered in the United States nor when he was adventuring in the security business in England. We were not impressed with his associations in any of the jurisdictions in which he operated. We were unfavorably impressed with his general attitude and evasiveness under questioning on the review.

We do not feel that it is in the public interest that he should hold registration with this Commission. Accordingly the decision of Dec. 20, 1947, refusing registration is confirmed.

• • •

Norman B. Osheroff

The above named salesman who resides in Toronto, was employed by Robert Mitchell & Co., whose registration was cancelled by order of the chairman dated Jan. 13, 1948. By the same order Mr. Osheroff's registration was suspended for a period of six months.

The chairman's order was largely based on his conclusions that Osheroff was an important factor in what was essentially a "boiler room" operation selling into the United States. Mr. Osheroff's commissions were very large and it appeared that he personally did a great deal of telephoning.

On the review it appears abundantly clear that Osheroff is nothing but a high-pressure salesman. He knows no other method of selling. Evidently he did make selling trips into the United States but these were really for the purpose of cultivating and sometimes comforting people who had been sold previously by the long-distance telephone.

He served as a wireless air-gunner for some two years in the war. He used to be a radio mechanic. The magnitude of his commissions, some $27,000 in a period of 16 months appears to have turned his head and made him irresponsible. We think no harm will be done if his suspension is allowed to continue.

Accordingly, we believe it to be in the public interest that the order of the chairman be confirmed.

• • •

Louis Wineberg

Mr. Wineberg who resides in Toronto, is a security salesman recently in the employ of Robert Mitchell and Co. whose registration was cancelled by order of the chairman dated Jan. 13, 1948. By the same order Mr. Wineberg's registration was suspended for a period of six months.

Mr. Wineberg's efforts have been directed in the main to selling by telephone into the United States. As has been said before in the case of Robert Mitchell & Co. and in the case of Norman Osheroff, Robert Mitchell & Co. operated what is known on the street as a "boiler room." Mr. Wineberg was an important factor in that operation.

Mr. Wineberg was not content to sell only by telephone. He made several trips to the United States for the purpose of cementing his relations with customers there. While he denies doing any actual selling when over there, we are of the opinion that these trips were all part of the whole security selling campaign carried on by himself and the firm he was employed by.

It appears that Mr. Wineberg according to his own admission has been fined several times for being found in gambling houses. Evidently the registrar regarded these as of a minor nature and registration was permitted. On the matter being developed on review, it became clear that Mr. Wineberg was not merely an occasional gambler. He was a runner or driver for a gambling house.

We consider that in the light of the evidence given on the review, Mr. Wineberg was lucky in drawing a suspension rather than a cancellation.

Accordingly we deem it in the public interest that the chairman's order be sustained.

Sport Goods Industry Opens Biggest Show Window Soon

Canada's $5.5 millions sporting goods industry has a new show window.

Called the Canadian National Sportsmen's Show, an annual event to be inaugurated next month, it is described as "the biggest sports and conservation exhibit ever seen in Canada." To get "in," 100 exhibitors will buy space at 75c to $1.50 per square foot. Already they have booked up between 45,000 and 50,000 sq. ft. in Toronto's Coliseum Building, well up to the amount sold for the old-established Royal Winter Fair.

Next question is how many sports-minded people will come to the show between the time the doors open on Saturday, March 13, and their closing the following Saturday.

Enthusiastic over a long list of attractions which include live game, retrieving dogs, log-rolling, and archery events, the show's managers are preparing to be host to some 150,000 to 200,000 people.

Guaranteed Against Loss

If the latter figure is realized, there'll be a tidy sum at the disposal of the sponsors, The Toronto Anglers' and Hunters' Association. This is specifically earmarked for one purpose only: an educational campaign, aimed at conservation of Canada's natural resources.

If the show (which involves an expenditure of $80,000 before it opens its doors) falls short of its objective, the loss will be taken by nine businessmen who have volunteered as financial guarantors

Shows of this type have become a popular feature of the American sporting year. Plans to hold a large one in Toronto were begun about a year ago, mainly at the urging of F. H. Kortright, president of Toronto Anglers' and, in business life, the general manager of A. R. Clarke and Co. He is sharing the financial risk for the event in company with eight other guarantors. They are:

D. Clive Betts of Toronto, president Canadian Breweries Ltd.; Aubrey Davis, Davis Leather Co., Newmarket; K. M. Kilbourn, Wickett and Craig Ltd., Toronto; R. A. Laidlaw, R. Laidlaw Lumber Co., Toronto; J. P. Maher, Maher Shoe Co., Toronto; C. S. Morrow and Co., Toronto; L. M. Savage, Savage Shoe Co., Preston; R. A. Stewart, Barrie Tanning Co.

In October, Loyal M. Kelly was retained as general manager of the show; and, in early November, the first agreements for exhibition space were arranged. Though some American firms withdrew after Canada's austerity program was announced, plans have been proceeding up to expectations.

CALGARY & EDMONTON CORP. has declared a dividend of five cents a share, payable April 15 to shareholders of record March 12.

ANGLO-CANADIAN OIL CO. has declared a dividend of five cents a share, payable April 8 to shareholders of record March 12.

Robinson, Little & Company, Limited

Winnipeg, Manitoba

CLOSING OF REGISTER OF TRANSFERS

BY REASON of the Annual Meeting of the Shareholders of the Company, to be held in the City of Winnipeg, Province of Manitoba, on Monday, the 15th day of March, 1948, at the hour of 2:00 o'clock in the afternoon, and BY VIRTUE of the provisions of the General By-laws of the Company.

NOTICE IS HEREBY GIVEN that the Company's Register of Transfers maintained at the Office of The Royal Trust Company in the City of Winnipeg, and the Company's Branch Registers of Transfers maintained at the Office of The Royal Trust Company in the Cities of Toronto, Ontario, and Montreal, Quebec, will be closed from and including the 1st day of March to and including the 15th day of March, 1948.

By Order of the Board.

Dated at Winnipeg, Manitoba, this 20th day of February, 1948.

HERBERT J. SADLER,
Secretary-Treasurer.

Anglo-Canadian Oil Company LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Shareholders of Anglo-Canadian Oil Company Limited, will be held in the Palliser Hotel, Calgary, Alberta, on Friday, the 23rd day of April, 1948, at 11:00 o'clock in the forenoon, for the purpose of receiving and considering the report of the Directors of the Company, the Balance Sheet and Auditors' Report, electing Directors of the Company, approving the acts of the Directors and Officers for the past year, appointing Auditors and transacting such other business as may come before the meeting.

The Transfer Books of the Company will be closed from the 26th day of March 1948, to the 8th day of April, 1948, both inclusive.

DATED at Calgary, Alberta, this 14th day of February, 1948.

By Order of the Board of Directors,
J. W. DICK,
Secretary.

Amalgamated Oils Limited

(In Liquidation)

NOTICE OF ANNUAL GENERAL MEETING

TAKE NOTICE that the Annual General Meeting of the Shareholders of Amalgamated Oils Limited (In Liquidation) will be held in the Office of the Company, 900 Lancaster Building, in the City of Calgary, in the Province of Alberta, on Tuesday, the 23rd day of March, 1948, at the hour of 10:30 o'clock in the forenoon, for the purpose of receiving and considering the report of the Liquidator of the Company, and Statement of Liquidator's Cash Receipts and Disbursements for the year ended November 30th, 1947, the Balance Sheet and Auditor's Report, approving the acts of the Liquidator, appointing Auditors' and transacting such other business as may come before the meeting.

Dated at Calgary, Alberta, this 10th day of February, 1948.

J. W. DICK,
Liquidator.

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COMPLETE WORLD-WIDE FACILITIES

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NORRIS GRAIN COMPANY
LIMITED
Grain Merchants, Shippers and Exporters
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N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que.
— Vancouver, B.C.

THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.
Operators of Country Elevators
in
Alberta and Saskatchewan
Terminal Elevators at
Vancouver and
Port Arthur
Offices: Calgary and
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JAMES RICHARDSON & SONS
LIMITED
Grain Merchants
Shippers and
Exporters
HEAD OFFICE
WINNIPEG, MANITOBA
OFFICES THROUGHOUT
CANADA

Cripps' National Bankruptcy Warnings Leave Austerity-ridden Britons Cold

LONDON — Travelling up in the train from Southampton to London a few days ago I met a visitor from the United States. "Not much sign of war here, after all," he said, gazing through the carriage window. I admit I felt resentful. Southampton is among the worst bombed towns in Britain and it numbers its dead in hundreds.

But before letting my feelings explode, I took a look out of the window myself, and realized that no stranger could be expected to realize that the tidied wastelands and building plots which skirted the line marked the site of a suburb; and so I said nothing.

That is true of all England. The blitzed sites of London no longer obtrude themselves on the consciousness of the Londoner. We have become used to them, and the vacant spaces have fitted themselves unobtrusively into the London scheme.

In exactly the same fashion, the way of austerity, imposed upon us in the war, has fitted itself into the framework of our lives so that it no longer seems strange to get one egg a week or the quota of steak that used to last us for a day, to cover seven.

It sometimes seems doubtful whether most of us now alive will see the days when there were no restrictions, come again. And if they did come, should we know what to do with them? The human frame is infinitely adaptable, and we are now adapted to all this.

* * *

It is a thrill to go to a country where there is still plenty of everything. You spend the first few days gaping at all the good things that pack the shop windows. The spell wears off and you wonder what to do with them all; you no longer want to eat more than you were used to eat in England. In the midst of the plenty of Canada or Belgium or Ireland the English traveller, after a time reverts to the stern mode of life he knew in London.

That, I suppose, is the way that a standard of living declines. We thought that ours would go up when V-Day came. It has gone down; so gradually that we have not noticed the cumulative effect of it; we accept it as we accept the bombed buildings of our cities (hardly any of which seem to have been replaced).

And meanwhile, a generation is growing up which is perfectly content because it never knew anything different. Several times, when explaining to some junior exactly what building occupied which site, and how we would dine at our leisure at eight o'clock and then go on to a theatre we have seen a look on our companion's face which seemed to say "I never knew that senile decay set in so early."

* * *

What Happens If Nation Goes Bankrupt?

Now we seem to be in for another drop. Sir Stafford Cripps says that the country is threatened with bankruptcy, and the newspapers feature his warning in headlines. But it does not register, because nobody knows exactly what happens to a country when it goes bankrupt or precisely how he individually is going to be affected.

It is like the people who are going to the dogs. One often hears about people going to the dogs, but one has never actually met anyone who ever got there. These abstractions mean little to anybody save an economist, when they are weighed in the balance against concrete things. So when the Government tells the Trade Unions, as it has just been doing, that unless all wage rises stop the country will be bankrupt, it comes up against an attitude of mind which does understand what is meant by the stopping of wage increases (while prices go on rising) but does not grasp what is meant by the country's going bankrupt.

* * *

The immediate, the tangible and the concrete are more real than the future, the abstract and the incomprehensible. So the warnings of the Government have come up against the opposition of the Trade Union Congress, or rather of a part of it, which wants someone else to go short, and has called for a cut in prices and profits to accompany the freezing of wages.

But the circle is vicious. Prices cannot drop perceptibly, so long as we have a purchase tax, and profits have already been swallowed by income tax to such a degree that people are losing the incentive to work. Unluckily for the Government, the older, tried T.U.C. leaders on whom it could have counted to plead the cause of moderation, are all either dead or in the House of Lords, or else are directors of nationalized industries, which comes to very much the same thing in most cases.

How this works out economically in the long run, it is hard to say. The political consequences were neatly explained by Mr. Isaac Foot, the chairman of the Liberal Party, when he told an audience that this country, forced to choose between the Government and the Opposition as they now are, finds itself placed like the motorist in a remote part of the West country who saw two uninviting roads signposted to the same destination. "Which road is the best?" he asked a local inhabitant. "Doesn't matter which you take," was the reply. "Either way, you'll soon wish you had chosen the other."

* * *

Labor Nominates Another Aristocrat

We now have another key by-election pending in the London suburb of North Croydon, which the Opposition holds by a bare majority. The Government has adopted the course which, on an analogous occasion, it took in Gravesend with success: it has chosen an aristocrat for its candidate. Though we are about to abolish the Lords, Transport House appear to believe that an Englishman still loves a Lord, or something similar, and it has chosen the Hon. Harold Nicholson, CMG, a former career diplomat but lately better known as a broadcaster, commentator and journalist, to attack the seat. The fight will be interesting for it will show, what has still to be shown, whether the undoubted negative dislike for the Government is balanced by any positive enthusiasm for the Opposition.

* * *

Yet, in spite of the continual forebodings of gloom and the resurrection of prewar films at postwar prices and the constant deferment of our petrol ration — which we are now confidently assured will certainly not be restored to us before Easter — life goes on and life is still pleasant; and, however much they talk of it, few Englishmen would care to be living anywhere save in England.

I cannot tell you what gin costs or what whisky costs, for they have long since soared beyond my means. But people are still giving cocktail parties and there is a relative abundance of foreign fruits and wine, alongside the shortage of butter, eggs and meat.

There are even fashions to be observed, despite clothing coupons, though exactly why the dress designers should choose to make women's skirts longer when materials are scarcer, I do not pretend to know. In a letter to The Times, one feminine correspondent urges Englishwomen to avert their eyes from the new look lest it should lure them. She tells the apt story of a Scotsman who was seen struggling out of a crowd at an exhibition of modern painting while he shouted, "Take me awa', take me awa', I'm beginning to like it."

* * *

Medieval Tennis Staging Comeback

Somehow, despite the petrol ban, people seem to turn up at races. Large crowds have followed the unexpected rise of Colchester's Association Football team, This year also there has been a successful attempt to revive that most ancient and royal game, real tennis. England has some 50 tennis courts. There is one at Lord's, one at Queen's Club (both in London), one at Manchester and one each at Oxford and Cambridge.

The origin of the game is thought to go back to the 13th century. The royal tennis court, as you see it in contemporary England goes back to the time of King Henry VIII, and Shakespeare students will remember the fateful reference to tennis balls in "Henry V." The game became fashionable under Charles II (1660-85). It has one advantage at least, in this climate of ours, over the tennis which is played in the open air. For while it is true, as that tennis enthusiast Charles II said, that in England there is never a day when it is not pleasant to be out of doors at some time, there are so few days when it is pleasant to be out all the time.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EXCELSIOR LIFE INSURANCE CO. at Dec. 31 had over $210.4 millions of insurance in force, a gain of $17.8 millions over the previous year. New insurance was $29.7 millions ($30 millions in 1946). Total income for the year was $7.8 millions. Payments to policyholders and beneficiaries amounted to $2.3 millions, while $3.1 millions was transferred to the standard actuarial reserve for protection of policyholders. Of the total policy payments, death claims took $939,727, while payments to policyholders included $490,478 in matured investment and endowment policies, $294,749 in policy dividends and $613,350 surrender values, annuities, etc.

Total assets rose $2.9 millions. Unallotted surplus now stands at $1.4 millions. Important items in the report, with comparisons, follows.

	1947 $	1946 $
Insurance in force	210,453,373	192,624,295
New insurance	29,679,004	30,077,247
Total income	7,671,073	6,766,136
Premiums	5,710,472	5,163,418
Int., divds., rents	1,451,903	1,602,708
Policy payments	2,338,307	2,069,200
Expenses & taxes	1,815,827	1,598,700
Sh'holders divds.	41,999	16,400
Assets w/down	517,184	268,273
Liabs. to pol'hldrs. inc. actuarial res.	39,114,536	35,657,431
Liabs. to sh'holders	312,167	471,541
Other liabs.	1,335	10,490
Sp. reserves	1,036,231	1,185,798
Total assets	41,867,432	38,876,285
Surplus	1,403,161	1,551,028
Int. earned	3.78%	3.94%

EMPIRE LIFE INSURANCE CO. in its 25th report shows life insurance in force on Dec. 31 at $77.8 millions, a gain of 9.3% over 1946. New insurance written including deferred annuities totalled $13.3 millions. The new business reveals a noticeable trend toward a higher average size of policy, "a development which is natural in view of the diminishing purchasing power of the dollar and of existing life insurance estates," the report says.

Income from all sources was over $2.7 millions, of which premiums (excluding supplementary contracts) contributed $1.9 millions. Interest, dividends, rents were $556,136 ($555,971, 1946).

Payments to policyholders totalled $972,920 (999,712, 1946). Of this $388,890, aside from policy loans, was paid to living policyholders. The mortality experience for 1947 was favorable. Since its organization in 1923, the company has paid in benefits to policyholders and beneficiaries more than $10 millions.

During the year, the company increased its holdings of first mortgage loans to home owners. The rate of interest earned on invested assets was slightly lower at 3.85%.

Important items in the statement follow.

	1947	1946
Insurance in force	[illegible]	$70,970,105
New insurance	[illegible]	14,382,634
Total receipts	[illegible]	2,767,933
Premiums	[illegible]	1,821,385
Int., divds., rents	556,136	555,971
Policy payments	972,920	999,712
Expenses & taxes	770,575	716,583
Sh'holders divds.	12,531	12,530
Other payments	2,028	2,148
Liabs. to pol'holders inc. actuarial res.	14,141,143	13,163,841
Liabs. to sh'holders inc. capital	640,546	639,915
Special reserves	430,451	436,269
Taxes & expenses	87,194	85,836
Total assets	15,757,426	14,775,922
Free surplus	458,092	450,061
Int. earned	3.85%	3.93%

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Lloyd Bros. Limited

LEVY BROS. CLOTHES

69 KING ST. WEST, TORONTO

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CANADA'S FINEST CIGARETTE

PUTTING IN A PENSION PLAN raises a lot of questions...

Determining the right type of pension plan for your staff—how to set it up—who will operate it—whom to name as trustees—these subjects call for careful consideration.

Montreal Trust can help with practical suggestions. In our pension work with industrial and commercial clients, we are often called in to help select the type of plan best suited to our clients' needs; or we act as trustees or custodians of funds.

How we may best serve you calls for joint analysis and full discussion. As a first step, we suggest a meeting ... No obligation, of course.

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ONTARIO HOLIDAY Scrapbook

"BRIGHT water and happy lands" — those are the characteristics of "Kawartha." The Indians couldn't have picked a more descriptive name for this lovely lake country north of Peterboro. Bobcaygeon and surrounding resorts are easily accessible. There's good accommodation and plenty to do—boating, swimming, fishing, riding, dancing. For complete details write to Ontario Holiday, Room 1004, Victory Building, Toronto.

LET'S MAKE THEM WANT TO COME BACK

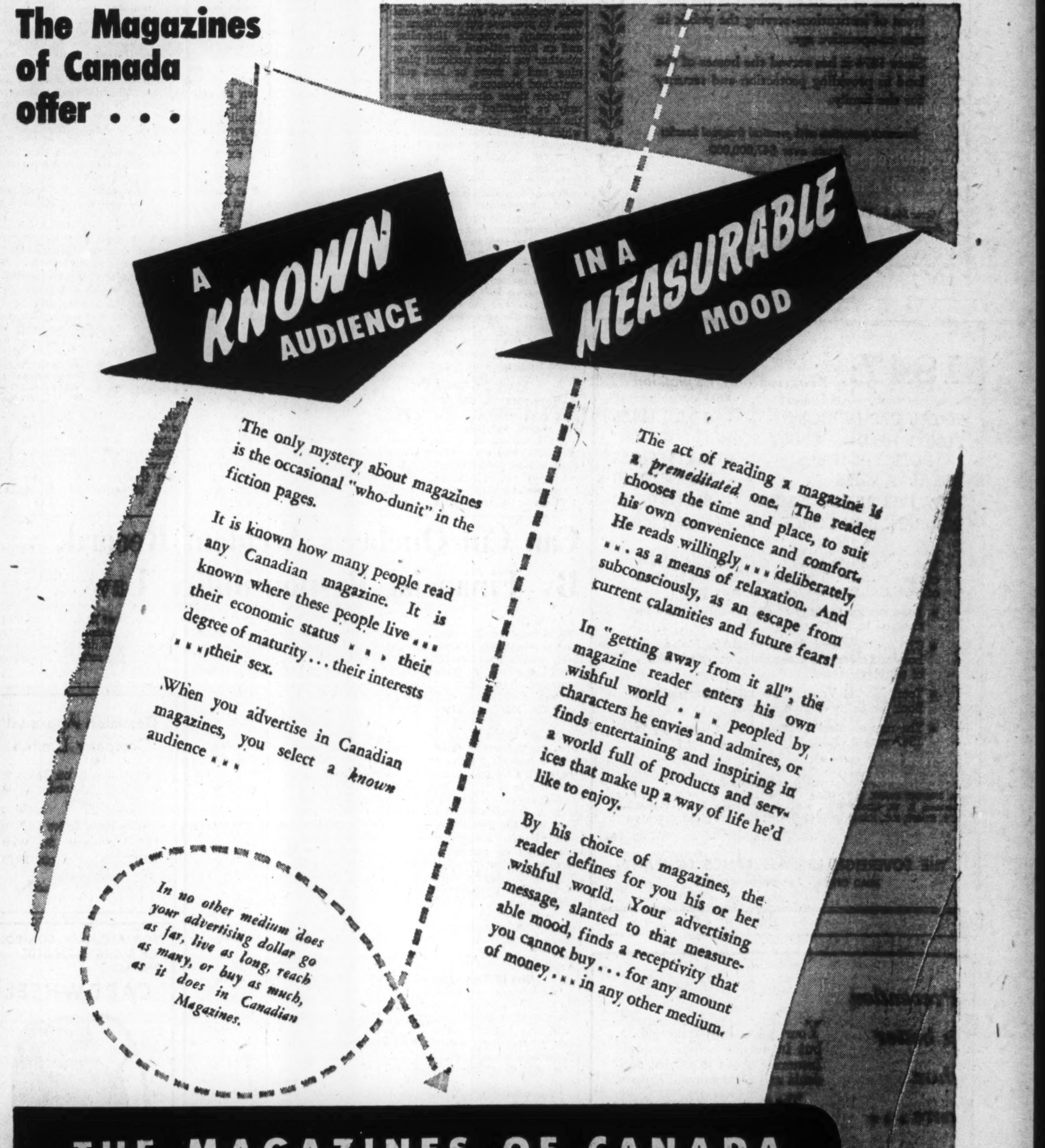
Let's see they get the best we have to offer. Everyone benefits from the income tourist business brings to Ontario. So it's in your interest to encourage friends from other parts to share our Ontario Holidays.

TOURIST BUSINESS IS GOOD BUSINESS

Near Buckhorn — these are wonderful lakes here
Aren't these beauties? George caught them June 27/47
Only 33 miles to go and Jeannie had a flat on her bike June 21/47
Jeannie and I took a "refresher" after the trip — the rapids were swell
HAPPY DAYS
AROUND BOBCAYGEON
JUNE 21 – JULY 6, 1947
Labatt's
BREWERS SINCE 1832

PUBLISHED IN THE PUBLIC INTEREST BY JOHN LABATT LIMITED

The Magazines of Canada offer . . .



The only mystery about magazines is the occasional "who-dunit" in the fiction pages.

It is known how many people read any Canadian magazine. It is known where these people live ... their economic status ... their degree of maturity ... their interests ... their sex.

When you advertise in Canadian magazines, you select a *known* audience ...

The act of reading a magazine is a *premeditated* one. The reader chooses the time and place, to suit his own convenience and comfort. He reads willingly ... deliberately ... as a means of relaxation. And subconsciously, as an escape from current calamities and future fears!

In "getting away from it all", the magazine reader enters his own wishful world ... peopled by characters he envies and admires, or finds entertaining and inspiring in a world full of products and services that make up a way of life he'd like to enjoy.

By his choice of magazines, the reader defines for you his or her wishful world. Your advertising message, slanted to that measureable mood, finds a receptivity that you cannot buy ... for any amount of money ... in any other medium.

In no other medium does your advertising dollar go as far, live as long, reach as many, or buy as much, as it does in Canadian Magazines.

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La Revue Populaire • Le Samedi • Maclean's Magazine • Mayfair
National Home Monthly • New World • Nouveau Monde

You can't WISH your worries away with an Aladdin's Lamp!

Adequate Insurance saves worry . . . especially if the Insurance is with

THE CANADIAN FIRE INSURANCE COMPANY
THE CANADIAN INDEMNITY COMPANY
HEAD OFFICE · WINNIPEG

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Strong financially, broad-based fraternally, its plans of operation place it in the forefront of institutions serving the public in this co-operative age.

Since 1874 it has served the homes of the land in providing protection and security for the family.

Insurance protection with practical fraternal benefits
Assets over $47,000,000

Victor Morin, LL.D., Supreme Chief Ranger

Head Office: Toronto, Canada

1947: *A Year of Continued Progress and Expansion*

TOTAL CASH INCOME - - -	$ 3,051,119.95
FUNDS HELD IN TRUST FOR POLICYHOLDERS - - -	$14,164,518.55
TOTAL ASSETS - - - - - -	$15,408,003.53
NEW INSURANCE ISSUED - -	$14,148,073.00
INSURANCE IN FORCE - - -	$79,531,920.00

The above items indicate the continued growth of the Company. The gain in Insurance in Force of $8,472,380.00 is especially noteworthy.

- Reserves for security of policyholders were increased in 1947 by $1,312,894.00.
- 63.9% of Invested Assets consist of high-grade bonds. Government securities comprise 38.6% of all investments.
- Total Market Value of securities exceeds total Book Value by a large margin.
- The rate of interest earned by the Company in 1947 was 4.10%.

BOARD OF DIRECTORS
W. SANFORD EVANS, LL.D., Chairman of the Board; M. D. GRANT, F.I.A., F.A.S., President; E. W. MONTGOMERY, M.D., LL.D., WILLIAM WHYTE, Vice-Presidents; E. E. SHARPE, K.C., JOHN MARTIN, JOHN W. HORN, ROY W. MILNER, C. D. GRAYSON.

THE SOVEREIGN LIFE ASSURANCE COMPANY
HEAD OFFICE - - WINNIPEG, CANADA

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Your boilers may be insured . . . but insurance is not enough. Insurance does not prevent accidents and accidents will happen.

The danger of accidents occurring can be greatly lessened by regular inspection of your power plant equipment. That is the reason we inspect all the equipment we insure, and entrust that work only to men trained and skilled in that important work.

Protect yourself against loss of property . . . and loss of business too . . . by means of insurance with a Company known for the quality and effectiveness of its inspection staff.

Ask your broker or agent for details. 21-7

The Boiler Inspection and Insurance Co. of Canada

Economic Nationalism Seen as Cause Of Deficit Financing, Low Money Rates

Digest of comments on the general economic situation by life insurance executives at their annual meetings recently, follows. Need of work and saving and the cause of present low interest rates were among the topics dealt with.

J. K. MACDONALD, President Confederation Life Association.

The rate of interest earned by an insurance company has a direct bearing on the cost of life insurance to policyowners. An assumed interest rate is involved in the calculations of premiums and reserves for life insurance policies. If the interest rate falls below the estimated rate, insurance companies have no other recourse, in order to protect the interests of their policyholders, than to increase premiums for policies sold in the future and/or reduce policy dividends commensurate with lower level of earnings. Either of these increases the life insurance cost to the policyholder.

The root cause of low interest rates and the present inflationary spiral of wages and prices is the fallacy that the only method of gaining economic progress is for individual governments to maintain a state of full employment within the national boundary, irrespective of the effects which such a policy may have on foreign countries. This has tended to promote a continuous inflationary trend. Certainly the aim of every economic and political system should be maintenance of a high level of employment and raising the standard of living. But in achieving this we need to decide whether we want at the same time, to preserve our traditions of democracy, economic liberalism and an international economy, or whether we desire national planning and a more or less self-contained economy.

Under these circumstances we may be justified in questioning the feasibility of a national policy which, in its practical application, commits us to continuous inflation, with its consequent trend toward maximum government controls over our economy. In their endeavor to maintain full employment, democratic governments for the last two or three decades have attempted to prevent deflation by maintaining continuous inflation. To do this, it has been necessary more and more to prevent the price mechanism from operating, so that only fragments of free market for commodities, capital and labor now exist.

Since the end of World War 1, the world has tended towards isolated national economies and away from the concept of an international economy. The unstable conditions in Europe, after the 1914-1918 war, called for complex programs of tariffs, import and export controls and government interference in movement of capital and even labor. While gold was allowed to move, many countries neutralized the effect by various devices.

Perhaps it was only natural that the economic disaster of 1929 should intensify the individual nation's desire to isolate its economy from outside fluctuations. The trend towards nationalism was accelerated after 1929. Controls and restrictions on trade to curtail imports, currency depreciation to encourage exports, and deficit financing were resorted to by governments to increase domestic production and employment. An easy money policy is the first prerequisite to government deficit financing during depressions when tax revenues are at a low. This policy tends to promote inflation.

It was necessary to continue the easy money policy in World War II so it would cost as little as possible. It may however have been wiser to pay a larger part of the cost from taxation. Money expansion would thus have been restricted, during the critical period of consumer goods shortage caused by the high requirements for war supplies. This would have relieved the pressure on the price structure and would also have reduced future carrying charges on the national debt.

It seems logical for governments committed to stimulating consumption through the medium of increasing money supply, to seek controls to arrest resulting inflation. Unfortunately the controls now sought merely attack the symptoms of the disease, that is, increasing prices. They do not get at the cause which may be defined as excessive purchasing power in the form of money and credit in relation to an insufficient volume of goods and services. Important factors in checking inflation are to expand production, and check the amount of purchasing power. First requirement in the latter factor is for governments to abandon an easy money policy and cut their own expenditures where possible. Allowing interest rates to seek their own level has been effective in the past in curtailing excessive credit expansion.

Increased prices as such need not be harmful if a proper balance is kept in prices, costs and income relationship. The decline in commodity values in the United States may bring about a better balance and reduce living costs for European countries dependent on the United States for food.

• • •

W. SANFORD EVANS, President the Sovereign Life Assurance Co.

Whether the new uncertainties and grave trends in international politics will affect economic action and slow up or disarrange the processes on which full recovery of the world is dependent, is not yet clear. Any influences that would interfere with full productive effort at this stage must be resisted to the utmost. We must seek common ground on those fundamentals on which, surely, there can be no differences of view. The most fundamental fact of all is that the world must keep on working; for without work there is nothing.

A second fundamental is that the world must keep on saving. Saving is absolutely essential. Economic life is engaged in adapting to man's use the materials and forces of nature. It is necessary first to procure the raw materials, then a place to work, then tools. Throughout the process the workers must have the necessities of life. Processing must be carried to the point where the product becomes usable by man, and someone will give in exchange for it other goods and services in compensation. Payment comes only at the end of the process. If all products were consumed, as fast as produced, new processes could not be started and the world would be back to a day-to-day scramble for sustenance. We call the reserve that must exist if civilization is to continue or progress to be made — capital. Whoever operates the system, there can be no alternative. The only dispute than can arise is as to who shall spend the reserves which individuals must save to create. Communism is the ideology of the have-nots, unprepared by toil and discipline to qualify for a share in the administration, who by intrigue or force woud seize the power to do the spending.

Never was there more need for saving than today. What Europe lacks is capital. Europe's need is not through any special fault, but because the war, the common interest of all democratic countries, was mainly fought in Europe. In an all-out war, common cause should not stop with the destructive phase, but should extend to the restoration of the only conditions on which the economic system of the world can again operate. This is what makes the Marshall Plan, in its purpose and spirit, the most hopeful development of the year. Canada has its duty to the objective of the plan in fair proportion to any other country. To fulfill that duty more saving will be necessary . . . What we have contributed and are contributing has inflicted no hardship but has left us with the standard of living we have today, not only well above the world average but, in essential satisfactions, comparing not unfavorably with any former period.

Canada was at work during the year, and had a substantial reward. There was some connection between these developments and the relaxation of restrictions and controls. Toward the end of the year economic alarms were suddenly sounded and crises announced. These alarms did not arise in industry. Experiments undertaken and proposed have added to the confusion. When man attempts to explain the economic system or consciously to direct its forces, there is hopeless confusion. But if allowed reasonable freedom of action, he can make it work.

Can Cut Quebec's Accident Record By Financial Responsibility Law

A financial responsibility law would improve Quebec's automobile accident record and automobile insurance premium rates would decline. A. Leslie Ham, manager of the Canadian Underwriters' Association in Montreal, told the Montreal Motor Truck Club.

Quebec, he said, is the only province in Canada which has not such a law on its statute books. He quoted figures from official statistics to show that "insofar as accident records of cars are concerned, Quebec has the poorest record in the Dominion. In 1946 public liability and property damage losses on private passenger cars in Canada amounted to $8 millions and Quebec's percentage of this loss was proportionately higher than any other province." In fact, he said, the claim frequency ratio in Quebec is over twice as high as the Canadian figure which includes the Quebec experience.

One In Two Trucks

"On commercial vehicles, public liability and property damage country-wide claim frequently in 1946 was 302 per 1,000 insured cars"; the speaker stated. "Quebec's was 526, or more than one out of every two insured cars.

"The other provinces of Canada have had for almost 20 years what is known as financial responsibility laws. These are not the brain child of the insurance business but of motor drivers themselves. The original law was the result of the work of the American Automobile Association, which was seized with the disadvantge of Compulsory Automobile Insurance because of the experience of its members in Massachusetts, which adopted a compulsory law in the 1920's. These financial responsibility laws put a penalty on carelessness and disregard of the law. Their value can be measured by their growth. Nearly every state in the United States has such laws.

Persuades Driver to Insure

"Some might argue that the financial responsibility law compels a driver to take out insurance. Such is not the case. It persuades, rather than compels, drivers to carry insurance, not only for their own protection, but for the protection of those whom they may injure or kill. The financial responsibility law invokes strict penalties."

"In Ontario, from Sept. 30 to Dec. 31, 1945, there were 82,500 suspensions of licenses for various periods of time for such offences as reckless driving, speeding, no licenses, intoxication, leaving the scene of an accident and failure to pay judgments.

"If such a law were in force in Quebec," Mr. Ham added, "the suspension of licenses would have a salutary effect on drivers and force them to drive with more regard for the safety of themselves and others."

Privileges of 2,224 Motorists Under Supervision in Manitoba

From Our Own Correspondent

WINNIPEG — Driving privileges of 2,224 Manitoba motorists are being controlled and supervised by the registrar of motor vehicles. On Jan. 31, 1,287 of this group were under active suspension and for the present off the roads. The other 987 were being allowed to drive with the chance of getting permanent reinstatement when their conduct convinced the department they would behave themselves.

In January 1,375 motor vehicles were involved in accidents in Manitoba and 95% carried evidence of financial responsibility in the form of insurance. Sixty-five were impounded by the registrar because their operators didn't have it.

During the month, 154 were ruled off the roads, a few because they didn't have evidence of financial responsibility when involved in accidents, most of the others because of convictions for offences under Highway Traffic Act. The biggest proportion of charges were driving to the common danger and driving while intoxicated.

Fifty-two motorists were cleared from blame in accidents in which they were involved. Another 122 who had previously been barred from the highways were reinstated.

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ROBERT W. SOUTHAM

managing editor of The Ottawa Citizen, has been elected a director of the Ottawa Valley Trust Co. —*Photo by Karsh.*

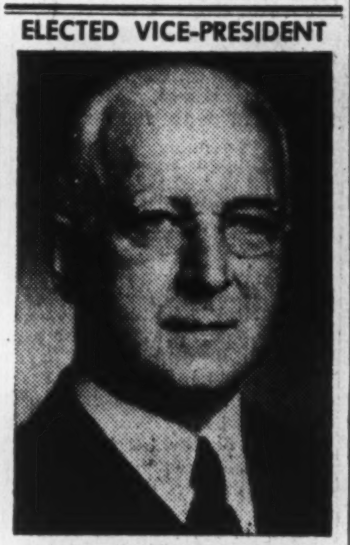
Canadian Utilities Ltd. $2 Million Expansion

EDMONTON—Canadian Utilities Ltd. plans to spend approximately $2 millions in new plant and line extensions for Edmonton and adjacent regions this year, General Manager Bruce M. Hill states.

The company will transfer its headquarters from Calgary to Edmonton in July. Mr. Hill said most of its business will be in Northern Alberta, as the south now is "well electrified."

Plans call for an increase this year of the Vermilion plant to 3,600 kilowatts (ultimately to 7,200 kilowatts). Work on the Drumheller plant will give it a generating capacity of 14,000 kilowatts.

ELECTED VICE-PRESIDENT



C. D. DEVLIN

Election of C. D. Devlin as vice-president and general manager of Confederation Life Association is announced, following a board meeting on February 19. Mr. Devlin joined the 76-year-old company as a field representative 38 years ago. General manager and director since 1946, he has for many years held executive positions on various life insurance agency and management bodies in Canada and the United States. *

CREDIT LOSSES ARE CLIMBING

CREDIT LOSSES
B TOBEY

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J. F. McFadden
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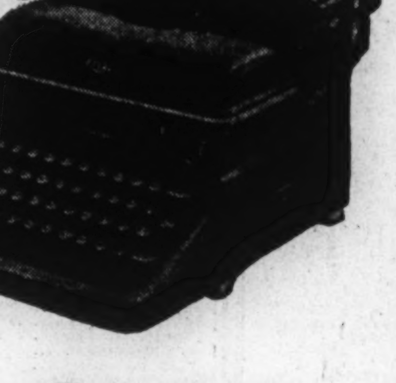

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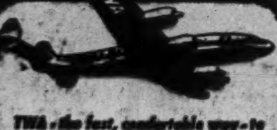

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Average Savings Deposit in Canada Increased by $27 to $600 in 1947

The average savings deposit account in the Canadian chartered banks in 1947 was around $600, approximately $27 more than in 1946, the annual classification of bank deposits published by the Bank of Canada, recently, indicates. The 1947 figures are taken as at Sept. 30, those for previous years being for Oct. 31. Total number of savings deposits in Canada on Sept. 30 was 6,337,500, an increase of 274,000 since Oct. 31, 1946.

About 87% of the total number of savings accounts are for $1,000 or less, the same percentage as in the previous year, while a little over $5,000 was over 63%, (last the previous year, accounts for $5,000 or less were almost 99% of the total.

Accounts Not Over $5,000

Of the total amount of money represented by savings accounts, the proportion in accounts not over $5,000 was almost 64%, (last year 65%).

Increase in aggregate savings deposits from $3,476 millions to $3,805 millions is attributed generally to the high level of employment and of wages during the period. Payment of family allowances and limited spending due to continued shortage of some higher-priced items of merchandise, were other factors.

Savings deposits generally belong to individuals although in some cases corporations, having more money than they need for their immediate needs, transfer demand deposits into savings accounts. On condition that they leave the money there for a stated period they get a small rate of interest. These savings deposits generally are actually part of the total money supply. While theoretically they are not supposed to be repayable without several days' notice to the bank, in practice the banks never insist on this and meet all demands for deposits immediately. The bulk of the savings deposits, however, don't move.

Owned by Corporations

Demand deposits are usually owned by business firms and while not so numerous as savings accounts, they have a much higher average value at $2,456 ($2,762 at Oct. 31, 1946).

The decline is probably due to business firms using their funds to finance inventories, pay wages, etc. Many merchants and manufacturers found the increased cost of goods and services made heavier demands on their financial resources and accordingly used their demand deposits. Notwithstanding this, the 1947 total number was higher, although the monetary value was lower.

Of total bank deposits, about 36.2% are demand deposits, the balance savings.

In 1946, demand deposits were almost 40% of the total.

The accompanying table shows numbers and amounts of deposits in various brackets.

ANNUAL CLASSIFICATION OF DEMAND AND NOTICE DEPOSITS
Chartered Banks of Canada

Demand Deposits As at Oct. 31:	Number Thousands			Amount Millions of dollars		
	†1947	1946	1945	1947	1946	1945
$1,000 or less	685.9	649.2	592.0	169.6	165.6	166.3
$1,000 to $5,000 ..	146.5	142.3	133.3	321.7	307.2	289.0
$5,000 to $25,000 .	38.5	37.1	34.9	386.9	372.3	344.0
$25,000 to $100,000	7.4	7.5	6.7	344.1	350.9	307.2
Over $100,000	2.3	2.4	2.5	945.9	1,097.7	1,159.8
Adjustment Items				-4.9	+22.0	+30.6
Total Demand Deposits	880.6	838.5	769.3	2,163.3	2,315.7	2,297.0
Notice Deposits						
$1,000 or less	5,517.0	5,290.7	4,968.7	922.0	901.0	862.3
$1,000 to $5,000 ..	725.2	690.2	584.2	1,478.4	1,373.3	1,142.9
$5,000 to $25,000 .	89.6	77.5	60.0	752.6	645.3	497.0
$25,000 to $100,000	4.7	4.1	3.1	203.4	180.5	133.4
Over $100,000	1.0	1.0	.8	440.7	365.7	347.8
Adjustment Items				+8.7	+10.9	+8.3
Total Notice Deposits ..	6,337.5	6,063.5	5,616.7	3,805.9	3,476.7	2,991.6

† 1947 figures as at Sept. 30.

MR. N. W. BERKINSHAW

Assistant General Manager of The Bank of Nova Scotia, who retired recently on pension after forty-six years of service.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

NEW BRUNSWICK TELEPHONE CO. 1947 net profit was up 4.5%. Revenues show a satisfactory increase, but operating expenses, due to increased labor and material costs, mounted more rapidly and resulted in reduced net income.

Local service revenue was $1,653,303, up 9.6%; long distance revenue $1,547,208, up 4.3%. Gross income, $3,256,023, was up 8%. Operating expenses totalled $2,470,567, an increase of $309,403 or 14.3%. This increase resulted from a larger number of employees, shorter hours of work, upward adjustment of wage schedules and substantially higher cost of materials, as well as abnormal repairs as a result of storm damage.

Careful grouping of subscribers' lines, as well as many temporary rearrangements of equipment, contributed in making possible a net telephone gain of 5,292, largest annual increase in the company's history. Telephones in service at Dec. 31 totalled 52,426 and deferred applications for telephones at the year end totalled 5,526, an increase of 825 during the year.

During the year, $2,716,459 was expended for new construction. A new building at Fredericton was completed and dial equipment is being installed to replace the existing manual common battery operation. A new building was also completed in Florenceville and an extension to the central office building in Saint John is under way.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$1,248,630	$1,269,080
Less: Deprec.	477,142	425,842
Interest	43,494	40,112
Inc. & other tax ...	301,521	358,749
Net profit	426,673	444,377
Less: Dividends	382,795	319,728
Surplus for year	43,878	124,649
Earnings per Share and Dividend Record:		
Earned	$0.56	$0.69
Paid	0.50	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$34,783	$230,989
Accts. rec.	499,572	403,206
Inventories	579,578	448,482
Total curr. assets ..	1,113,933	1,082,677
Misc. assets▲	252,112	143,838
Investments	6,000	1,000
Fixed assets	13,557,980	11,049,458
Total assets	14,930,025	12,276,970
Bank loan	250,000	......
Accts., tax., etc., pay.	617,982	465,571
Total curr. liab. ...	867,982	465,571
Def. credits, etc.	368,886	107,161
Deprec. res.	3,179,025	3,005,608
Capital stock	9,626,328	7,734,537
Capital surplus	48,904	43,215
Surplus▲	838,640	830,870
▲Incl. ref. EPT	106,286	104,294
Working capital	246,951	617,106

DONNACONA PAPER CO. net profits in 1947 were 60.4% higher at $1,245,174. Plant was maintained in a high state of efficiency throughout the year, President Robert P. Kernan states.

Net working capital dropped $647,221 to $3,646,752, through financing part of purchase price of 752 square miles of additional timber lands and pulpwood-cutting rights at a cost of $2,410,461 and capital expenditures to properties of $789,327. Excess of funds secured through bond redemption and additional capital obtained through sale of bonds, were applied against purchase of the timber limits.

The company now owns or controls 1,611 square miles of timberlands which, with the 400 square miles that Quebec Government is authorized to grant, greatly improves company's position with regard to wood reserves.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$3,168,542	$2,341,469
Less: Depr. & depl. ..	660,925	626,369
Bond interest	217,505	236,221
Income tax res.	1,044,998	702,743
Net profit	1,245,174	776,156
Less: Pref. divds. ...	112,500	70,313
Com. divds.	659,001	188,286
Surplus for year	473,673	517,557
Times Bond Int. Earned:		
Before depr. & depl.	14.57	9.91
After depr. & depl.	11.53	7.26
Earnings per Share and Dividend Record:		
Pref.: Earned	$49.81	$31.05
Paid	4.50	2.25
Common: Earned ..	3.01	*1.87
Paid or payable ..	1.00+0.75	0.50

*After half-year's divids. on pref.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds. ...	$31,443	$1,263,947
Accts. rec.	1,348,191	1,068,299
Inventories	5,076,938	3,521,032
Total curr. assets ...	6,456,572	5,853,278
Misc.*	126,715	103,443
Fixed assets†	10,461,803	13,116,364
Total assets	17,045,090	19,073,085
Bank loan	1,300,000	421,000
Accts., tax, etc., pay.	1,509,820	1,008,305
Total curr. liab. ...	2,809,820	1,429,305
1st mtge. bonds	6,500,000	4,967,500
Deprec. res.	....	5,193,724
Conting. res.	1,010,928	1,136,643
Capital stock	4,607,860	4,607,860
Surplus*	2,116,482	1,718,053
†After depr. of	7,104,734	....
*Incl. ref. EPT	22,547	22,547
Working capital	3,646,752	4,423,973

HART BATTERY CO. (St. Johns, Que.) net profits increased approximately 60% to $84,329 in year ended Oct. 31. Company's standard profit for excess profits tax was favorably determined during the year, resulting in a credit adjustment to surplus of $53,203.

Plant and equipment were maintained in a high state of efficiency. Value of all materials during the year advanced in price very considerably, President John Irwin stated.

INCOME ACCOUNT

Years Ended Oct. 31:	1947	1946
Net earnings	$170,392	$143,444
Less: Deprec.	15,777	15,327
Pension fund	6,297	4,802
Income taxes▲	63,989	70,495
Net profit*	84,329	52,820
Less: Divds.	27,500	27,500
Surplus for year	56,829	25,320
▲Incl. ref. EPT	......	2,657

Note: Co's report includes ref. EPT in net profit and surplus for the year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.69	$1.06
Incl. ref. EPT ...	1.69	1.11
Paid	0.55	0.55

CONDENSED BALANCE SHEET

As at Oct. 31:	1947	1946
Cash	$41,238	$130,265
Accts. rec.	223,515	148,043
Inventories	481,882	259,646
Total curr. assets ..	746,635	537,954
Deferred chgs.▲	25,559	52,497
Fixed assets (cost) ..	600,089	552,309
Total assets	1,372,273	1,142,760
Bank loan	140,000	....
Accts., tax, etc., pay.	108,108	140,081
Total curr. liab. ...	248,108	140,081
Depreciation res.	413,722	402,896
Conting. & invent. res.	30,000	30,000
Capital stock	308,600	308,600
Earned surplus▲	†361,843	271,183
▲Incl. ref. EPT	30,694	46,716
†Reflects net credit adj. of pr. yrs. taxes of $53,203.		
Working capital	498,527	397,873

BANK OF CANADA

	Feb. 18 1948	Feb. 11 1948
Liabilities	$	$
Capital paid-up ..	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,157,312,636	1,157,944,009
Deposits: Dom. ..	82,817,377	123,626,554
Chart. banks ..	520,730,330	505,634,166
Other	69,963,849	67,555,552
Total deposits ...	673,511,556	696,816,272
Liabs. payable in sterling, U.S.A. and for'n. gold currencies: Deposits	98,768	98,768
All other liabs. ..	13,898,426	14,814,433
Total liabs.	1,859,171,747	1,884,663,848
Assets		
Sterling & for'n exchange	33,591	33,591
Other currencies .	190,053	195,254
Total	223,644	228,845
Subsid. coin	250,999	261,290
Investments:		
Dom. govt. sh. .	953,878,150	978,920,652
Oth. Dom. gov.	856,910,967	857,364,984
Total invest.	1,810,789,117	1,836,285,636
Ind. dev. bank Total share cap. at cost	25,000,000	25,000,000
Premises	2,374,158	2,371,361
All other assets ..	20,533,885	20,516,710
Total assets	1,859,171,747	1,884,663,848

Alta. Surplus Is $4,190,418 For 9 Months

From Our Own Correspondent

EDMONTON — Financially, Alberta is doing all right. Provincial Auditor C. K. Huckvale reports that for the nine months ended Dec. 31, the province had an overall cash surplus of $4,190,418 . . . $3,232,411 greater than a year before.

Net funded and unfunded debt has decreased $17,381,636, to $127,212,120.

Cash receipts from ordinary sources increased $11,397,618 to $40,456,166. Cash payments for ordinary services increased $4,055,602 to $27,556,946. After providing $1,687,000 for debt retirement, there was a cash surplus on income account of $11,212,220. Net payments on capital account were $7,021,801, an increase of $4,197,604.

The $6,602,586 received under the Dominion-Provincial tax transfer agreement of last year was a big factor in the increased receipts. Also, Alberta received $1,232,497 in federal subsidies, an increase of $314,959 due to increased population and collection of arrears.

Liquor Profits Up

Liquor board profits for the nine-month period were $7,878,123, an inrease of $118,641. Colletions from the fuel oil or gasoline tax were $6,069,129, up $1,693,638. Motor licenses produced $4,087,090, up $567,326; petroleum and natural gas royalties $523,375, up $133,338. In addition there was $417,918 from petroleum and natural gas fees and rentals, up $251,391. Coal mining royalties of $205,386 were down $10,321.

Taxes in the period yielded $10,870,223, up $2,795,855. Licenses collected were $4,570,936, up $604,747.

Earnings of treasury branches for the nine months were $519,324, an increase of $66,752. Provincial Government liabilities to the public in connection with the operation of treasury branches were $26,581,000, an increase of $1,312,280. The auditor reported that liabilities are offset by amounts held in trust in the Imperial Bank, cash on hand at treasury branches or in transit, Dominion of Canada debentures and loans and advances.

Consumers' Bonus $480,738

All expenditures for administration and maintenance of treasury branches have been charged to the general revenue fund of the province, except $480,738 representing consumers' bonus for the period Feb., 1941 to April 25, 1945, inclusive when payment of these bonuses was discontinued. This liability may be financed from the reserve for contingencies, amounting to $517,000.

Payments on capital account included $8,772,677 for roads and bridges, an increase of $5,181,631. On ordinary services, there was $1,506,141 in increased grants to schools. Sum of $346,039 went for hospitalization and medical services for pensioners as authorized by the legislature last year. Costs of maternity hospital services increased by $35,650, while hospital administration and grants rose $259,999.

From the postwar reconstruction fund, the province spent $923,275 on the Grimshaw-Great Slave Lake highway. It received $387,898 in reimbursements from the Dominion.

The statement of capital payments included $100,000 in loans and advances under the Alberta Industrial Corporation Act.

EL SOL GOLD MINES advises that payment has been received for balance of underwriting on 23,380 shares at 30 cents a share. Issued capital is 2.2 million shares

GUARD YOUR TRAVEL FUNDS with Canadian Pacific Express TRAVELLERS CHEQUES

Mummy... I'm Hungry

HOW WOULD YOU FEEL if this were your child . . . and you had to say: "Sorry, darling, there just isn't anything"?

GIVE to the Canadian APPEAL FOR CHILDREN

YET many a mother — and father — is faced today with just such a tragic fact. Throughout Europe and Asia children are literally starving — cold and miserable because they have no warm clothing.

Millions of them are in desperate need — for food, clothing, shelter, education. We in Canada are going to do our share to help meet those urgent needs. The Canadian Appeal for Children, now being conducted, has a minimum objective of $10,000,000 as Canada's contribution to the saving of the world's children and the world's future.

YOU CAN HELP by doing just this:

Go to any Branch of THE ROYAL BANK OF CANADA — or any other chartered bank. Hand your contribution to the teller. He is ready to accept it, and will turn the money over to the Canadian Appeal for Children. Every cent collected will be distributed, where need is greatest, under the strict supervision of responsible United Nations' operating agencies.

How much you give is a question for your own conscience. Act TODAY; you will sleep better tonight knowing you have done your part for these millions of little ones who look to you for help.

This advertisement sponsored by THE ROYAL BANK OF CANADA

B. C. TELEPHONE CO. reports that although handicapped by shortages of material and equipment, 1947 was a record year for it and its associated companies in B. C. A review shows:

1. More telephones in our system than ever before—201,102 on Jan. 1, 1948.

2. Greatest increase in telephone total in single year—20,276 in 1947. The highest previous gain was 12,371 in 1946.

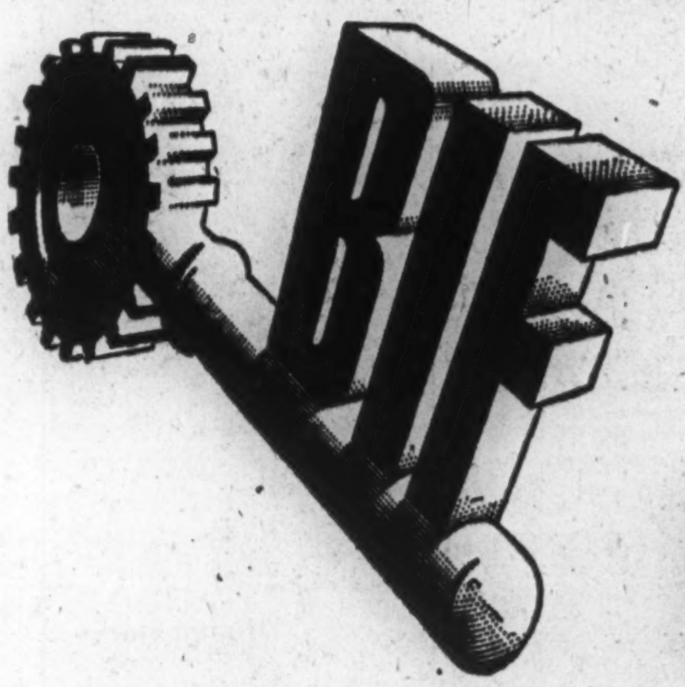
33. Highest average number of local telephone calls per business day during year—over 1,194,000 in 1947. In 1946, the average was 1,051,000 calls, the previous record.

4. Highest total number of long distance calls handled in single year—5,322,265 in 1947. The previous record was set in 1946 with 4,712,764 calls.

5. More employees than in any previous yeaer — 4,000.

LONDON and BIRMINGHAM

BRITISH INDUSTRIES FAIR



1948
MAY 3-14

ON May 3rd 1948, when the British Industries Fair opens, buyers from all over the world will have an opportunity of inspecting the products of 3,000 United Kingdom manufacturers.

This annual event is the world's largest national trade Fair. Such is its size and importance that you are urged to *come yourself.* You are assured of personal contact with actual manufacturers or sole selling agents and you will find exhibits carefully grouped by trades so that comparisons may be made quickly. Above all you will see new achievements, new methods of manufacture and new ideas all executed with superb craftsmanship.

This is your only opportunity in 1948 to review within a few days the achievements of 87 United Kingdom industries.

For information and assistance you should apply to the nearest British Trade Commissioner's Office.

Edinburgh Castle, perched on its crag like something out of a fairy tale.

BRITAIN

is Eager to Welcome You!

All the age-old beauty of historic Britain says "Welcome Again" this summer. Old friends await your coming . . . . hospitality is yours to enjoy wherever your fancy may take you. There are battle-scars aplenty to see, but, in town and country, the mellow centuries-old loveliness of Britain remains essentially unchanged, unspoilt. Remember, too, that exchange today is favourable . . . . your vacation dollars buy more holiday pleasure in Britain, now. Make your reservations — for transportation and hotel accommodation — as early as possible. See your Travel Agent now for the answers to your vacation-in-Britain questions.

COME TO BRITAIN

Burns' Birthplace. The Cottage at Alloway where Robert Burns was born in 1759.

Highland Games are held annually in September at Braemar in the Highlands.

INFORMATION Mail this coupon, for beautifully illustrated literature to: THE BRITISH TRAVEL ASSOCIATION
372, Bay Street, Toronto, Ontario or, 410 Dominion Square Building, Montreal, P.Q.
Name
Address

Issued by The Travel Association of Great Britain and Northern Ireland, Tourist Division of The British Tourist and Holidays Board.

THIS WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING FEBRUARY 20

Mining Stocks

Week Ended February 20

Range 1947-48 High	Low	Div. Rate $	Feb. 20 Yield %	Company	Sales	Last Feb. 13	Week Ending Feb. 20 High	Low	Close
1.50	.75	....	....	Akaitcho	100	.80	.75	.75	.75
.21	.04½	....	....	Aiger	122,900	.05	.05½	.04½	.05½
1.90	.22	....	....	Amal. Lard.	8,285	.25	.28	.25	.28
.19	.07½	....	....	Amer. Y.K.	22,700	.09	.15	.10	.13½
1.30	.42	....	....	Anglo-Rou	3,800	.48	.48	.46	.46
.12	.04	....	....	Ansley	1,000	.06	.05	.05	.05
.70	.15	....	....	Aquarius	6,300	.15	.20	.18	.19
.13½	.05	....	....	Area	1,100	.07	.09	.05	.19
.30	.10	....	....	Arjon	500	.11	.12	.12	.12

Oil Stocks

* N. Y. Funds. z Extra ‡ Paid in 1946. ‡ Capital Repayment. ♦ Dividend deferred. § Paid in 1947. † Paid or payable in 1948.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Feb. 23	268,700	775,000	97,713	41,610	....
Feb. 21	122,600	433,000	24,110	10,060	300,000
Feb. 20	271,300	847,000	88,164	60,320	760,000
Feb. 19	374,500	874,000	66,500	68,690	860,000
Feb. 18	179,000	991,000	53,930	25,260	870,000
Feb. 17	193,400	799,000	88,712	25,962	870,000

†Paid or payable in 1948. ‡Extra. xOn arrears. ♦Paid in 1947. ♦N. Y. funds. ♦Dividend deferred. §Net after income taxes ♦♦Paid in 1947-48.

BUSINESS THIS WEEK

	FEB.	JAN.	DEC.	NOV.	Year Ago
GOVERNMENT FINANCE (millions of $)					
▪Dominion total revenue	....	244.3	233.7	214.9	236.6
▪Dom. total expend.	....	149.2	160.4	183.7	171.3
MERCHANDISING					
Dept. store sales index no. (1)	....	....	397.8	348.2	325.7
Retail sales index (no.)	....	....	328.6	274.4	282.3
Wholesale sales index (no.)	....	....	251.8	295.0	222.2
FINANCE					
▪Dividend payment index (5)	189.2	188.7	183.1	175.8	153.6
Bank debits	....	....	....	223.8	286.2
Money supply (millions $)	....	....	....	7,546	7,012
NEWSPRINT CAPACITY					
Production ratio	....	98.6	100.8	103.6	101.1
Shipment ratio	....	92.1	101.1	111.7	94.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	210.1	199.1	166.6	194.3
Cars (D.B.S.)	....	172.3	169.2	153.1	164.3
COST OF LIVING					
D.B.S.	....	148.3	146.0	143.6	127.8
EMPLOYMENT INDEX					
All industries	....	....	199.7	197.8	185.7
Manufacturing	....	....	205.1	205.1	194.2
Payrolls (June 1/41=100) (2)	....	....	192.9	189.1	159.9

	1947-48	1946-47	1947-48 Jan. 1 to date	1946-47	% Change
RAILWAYS—(000's omitted)					
▪Carloadings (week Feb. 14)	69.5	65.9	489.4	465.2	+5.2
C.N.R. net rev. (Nov.)	4,924	5,661	37,325	40,346	−7.5
C.N.R. gross rev. (Nov.)	37,493	37,128	399,699	364,775	+9.6
C.P.R. gross rev. (Dec.)	28,604	24,948	318,386	292,496	+8.8
C.P.R. net rev. (Dec.)	3,923	3,121	22,892	20,843	+9.8
IRON AND STEEL (000's omitted) (Dec.)					
Pig iron production (tons)	165.6	161.5	1,969.8	1,403.8	+40.3
Steel production (tons)	249.8	237.3	2,945.2	2,334.6	+26.1
CONSTRUCTION (000's omitted)					
Contracts awarded (Dec.)	35,102	36,535	718,137	668,335	+8.3
Cement prod., bbls. (Dec.)	1,068	721	12,219	10,675	+14.4
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Dec.)	1,692	2,350	28,107	27,375	+2.7
▪Flour exp., bbls. (Jan.)	991	1,380	991	1,380	−71.8
▪Wheat exp., bush. (Jan.)	11,501	14,198	11,501	14,198	−19.0
Cattle sales (Jan.) (4)	151.7	120.1	151.7	120.1	+26.3
Hog sales (Jan.) (4)	589.9	400.0	589.9	400.0	+47.5
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Dec.)	55.1	79.4	1,093.7	1,216.0	−10.0
Landed value (Dec.) $	2.4	1.9	46.0	55.6	−17.3
NEWSPRINT (000's omitted)					
Production (Jan.)	372	370	372	370	+0.5
Exports, tons (Jan.)	345	347	345	347	−0.6
MINING AND OILS (000's omitted)					
▪Coal prod. (tons) (Jan.)	1,351	1,700	1,351	1,700	−21.0
▪Gold prod. (fine oz.) (Dec.)	275	229	3,069	2,833	+7.9
▪Petroleum prod. (brl.) (Dec.)	767	595	7,729	7,607	+1.6
ELECTRICAL POWER OUTPUT (000,000's omitted) (Dec.)					
Total monthly kw.h.	2,730	3,672	44,986	41,604	+8.1
FOREIGN TRADE (millions of $)					
Imports (Dec.)	194.2	181.9	2,573.9	1,927.3	+33.5
▪Exports (Jan.)	235.4	208.6	235.4	208.6	+12.8
FINANCE (millions of $)					
Bank debits (Dec.)	6,811	5,935	74,498	69,248	+7.6
▪Bond sales (Jan.)	162.7	308.4	162.7	308.4	−47.3
Life insurance sales (Dec.)	101.1	97.7	1,203.5	1,186.4	+1.4
OHTER INDUSTRIAL FACTORS (000,000's omitted)					
▪Shoe prod. (Dec.)	2,548	3,144	35,574	43,253	−17.8
Cigarette cons. (no.) (Dec.)	1,327	1,221	14,141	14,866	−4.9

(1) Base period 1935-39=100.
(2) All industries.
▪New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities

DOMINION

Dominion of Canada Bonds — 1½% bonds, due Mar. 1, 1950, $325,000,000 dated Mar. 1, 1948. Sold to the Bank of Canada and chartered banks at $100.30.

PROVINCIAL

Province of New Brunswick — 2½%, 2¾% and 3¼% noncallable sinking fund debentures, due Mar. 1, 1951-53-58, $9,500,000, dated Mar. 1, 1948. 1951 maturity sold. 1953 maturity offered at $99.75 to yield 2.80%. 1958 maturity offered at $100 to yield 3.25%, accrued interest to be added to each price, by Dominion Securities Corp., Ltd.; Wood, Gundy & Co., Ltd.; A. E. Ames & Co., Ltd.; Eastern Securities Co., Ltd.; Bell, Gouinlock & Co., Ltd.; McLeod, Young, Weir & Co., Ltd.; Mills, Spence & Co., Ltd.; Cochran, Murray & Co., Ltd. and F. J. Brennan & Co., Ltd.

MUNICIPAL

Taber School Division, No. 6, Alberta—3¾%, 1 to 15 year serial debentures, $40,000, issued Feb. 19, 1948. Sold to Tanner & Co., Ltd. at $98.45.

Town of Camrose, Alberta—3¼%, 3¾% and 4%, 1 to 30 year serial debentures, $120,000, issued Feb. 19, 1948. Sold to Tanner & Co., Ltd. at $98.45.

CORPORATE

Bell Telephone Co. — 3¼%, first mortgage bonds, series F, due Feb. 15, 1973, $35,000,000, dated Feb. 15, 1948. Sold at $100 and accrued interest to Wood, Gundy & Co., Ltd.; McLeod, Young, Weir & Co., Ltd.; L. G. Beaubien & Co., Ltd.; Bell, Gouinlock & Co., Ltd.; Midland Securities Ltd.; Burns Bros. & Denton Ltd.; Matthews & Co.; Mead & Co., Ltd.; J. C. Boulet, Ltd.; F. J. Brennan & Co., Ltd.; Harrison & Co., Ltd.; Bartlett, Cayley & Co., Ltd.; W. C. Harris & Co., Ltd.; McMahon and Burns Ltd.; A. E. Ames & Co., Ltd.; Dominion Securities Corp., Ltd.; Nesbitt, Thomson & Co., Ltd.; Gairdner & Co., Ltd.; Cochran, Murray & Co., Ltd.; Rene-T. Leclerc Inc.; Jas. Richardson & Sons; McTaggart, Hannaford, Birks & Gordon Ltd.; MacTier & Co., Ltd.; Geoffrion, Robert & Gelinas, Inc.; Brawley, Cathers & Co.; Fairclough & Co., Ltd.; H. B. Housser & Co.; F. W. Kerr & Co.; The Western City Co., Ltd.; The Wood, Gundy Corp. Ltd.; Greenshields & Co., Inc.; Mills, Spence & Co., Ltd.; W. C. Pitfield & Co., Ltd.; Collier, Norris & Quinlan Ltd.; R. A. Daly Co., Ltd.; Savard, Hodgson & Co., Inc.; Fraser, Dingman & Co.; Eastern Securities Co., Ltd.; Societe de Placements Inc.; Wills, Bickle & Co.; Fry & Co.; Tanner & Co., Ltd. and Pemberton & Son, Vancouver, Ltd. This issue is completely sold.

PREFERRED STOCKS

William Neilson—$2,500,000, 5% cumulative, redeemable sinking fund preference shares (par value $100). Offered at $100 per share flat, by Gairdner & Co., Ltd.; Wood, Gundy & Co., Ltd. and Bell, Gouinlock & Co., Ltd.

R. M. Ballantyne—6,000, 5% cumulative redeemable preference shares (par value $50). Offered at $50 per share to yield 5%%, with bonus of one common share with each two preferred shares, by Isard, Robertson & Co., Ltd.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.20	$15.46	$14.21
Hogs	28.35	28.22	21.42
Copper, lb.	.21½	.21½	.19½
Sugar, raw, lb.	.0505	.05	.0820
Coffee, lb.	.25¾	.26	.27½
Hides	.27	.26½	.2½
Weekly Indices			
U. S. Labor	163.8	163.7	141.7
Dow Jones	146.83	155.44	124.35
Fishers	170.5	171.8	152.9
Monthly Indices			
Retail (Jan.)	148.3	146.0	127.0
W'sale (Dec.)	143.5	142.5	112.0
U. S. (Nov.)	159.5	158.5	139.6
Gt. Brit. (Oct.)	202.7	199.3	179.0

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Company Meetings

1948	Company	Place
Feb. 26	Windsor Hotel	Montreal
Feb. 26	Bell Telephone	Montreal
Feb. 26	Dom. Fire Ins.	Toronto
Feb. 27	Bruck Silk	Montreal
Feb. 27	Dom. Bridge	Montreal
Feb. 27	Sarnia Bridge	Sarnia
Feb. 28	Bear Explor. & Rad.	Toronto
Feb. 28	East Sull. Mines	Montreal
Mar. 4	Building Products	Montreal
Mar. 8	Bay-Adelaide Garage	Toronto
Mar. 8	Twin City Rapid Trans.	Minneapolis, Minn.
Mar. 9	Richmond Bldg.	Toronto
Mar. 9	Simpsons Ltd.	Toronto
Mar. 10	Adelaide Peter Bldg.	Toronto
Mar. 10	Prudential Trust	Montreal
Mar. 10	Quebec Power	Montreal
Mar. 11	H. R. MacMillan Ex.	Vancouver
Mar. 18	Shawinigan W. & P.	Montreal
Mar. 23	Donnacona Paper	Quebec City
Mar. 23	Imp. Tob.	Montreal
Apr. 28	Asbestos Corp.	Montreal

Bond Redemptions

Bond Issues:	Rate,	Year	Due	Price
‡Island Tel., 1st mtge. bds.	4%	1968	Mar. 1	104

‡All outstanding.

Stock Redemption

Company:	Rate	Date	Price
‡Dom. Env. pf.	7%	Mar. 1	85
‡New Method Laundry pf.	6½%	Mar. 1	116.37½*

‡All outstanding shares.
*Including accrued dividends.

Bond Tenders

12 noon, Feb. 26, 1948, Dominion of Canada Treasury Bills, payable May 28, 1948, $75,000,000, dated Feb. 27, 1948.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Feb. 20 Bid	Ask
Amal. Elec.	...	13	12	13
Assoc. T.&T.A. pf.	♦♦2.28	61	58	..
Ault & Wiborg pf.	5.50	103½	103	..
Auto Elec. A	.50	7½	7½	8
Auto Fabric A.	.80+♦.16	10½	10½	10½
Do. B	.40	5½	..	5½
Barcelona	...	6	..	..
Bates & Innes	1.00	17	15½	17½
Beatty Bros.	2.40	38½	40	40½
Beaver Lumber	1.00	21	20	20½
Do. pref.	1.40	31	..	..
Belgium Glove	.60	7½	..	8
Do. pref.	1.00	17	16½	17
Bertram & Sons B	.20	4½	4½	4½
Biltmore Hats	.40+†.20	10	8	12½
Blue Ribbon	...	10½	10½	14
Do. pref.	2.50	55	..	56
Blue Top Br. B	♦.60	30	25	30
Bowes Co. A	.50	10½	10	10½
Do. B	♦.50	24½	23	25
Brand, Hender	...	14	14½	..
Brant, Cord.	.50	10	8	10
Brant, Roof.	†.40	17½	17½	18½
Brazilian Tr. pf.	6.00	151	..	145
Bright, T. G.	♦♦.75	22	21½	23
Br.-Amer. Bk. Note	1.00	18½	17½	18½
B. C. Packers A	.75	12½	12½	13½
Do. B	.25	5½	4½	5½
B.C. Pulp & Pa. pf.	7.00	160	155	168
Butterfly Hos.	.70+♦.15	11½	11½	13½
Caldwell Linen	.80	12	12	15
Do. 1st pref.	1.50	29½	29½	30
Canada Bread pf.	4.50	98½	..	99
Can. Cr. Stone	.40+†.10	8½	7½	..
Can. Forg. B	1.50	41	40	60
Can. Iron	.80	15½	13	15
Do. pref.	.60	[illegible]	12	..
Can. Machine	.50	7	5	6
Can. Packers A	1.50	35½	34	35
Can. Starch	...	10	8	11
Do. pref.	†3.50	105	100	..
Can. V'nish 5% pf.	1.25	23½	23	25
Can. Vinegars	.60+.15	11½	10	12½
Can. Bronze pf.	5.00	100	101	..
Can. Celan. $1 pf.	1.00	22	22	23
Can. Convert. A	.75	14	14	14½
Do. B	...	12	12	13
Can. Fairb.	1.00+†.25	32	..	40
Do. pref.	6.00	143	143	..
Can. Fire	.80	20	19½	..
Can. Food Prods. A	1.00	15	14	15
Do. pref.	4.50	88½	88½	89
Can. For. Inv.	3.00+†1.00	28	25	29
Can. Gen. Electric	8.00	260	200	240
Can. G. Sec. A	†1.50	47	45	50
Do. B	†1.50	20	36	..
Can. Ice Mach. A	.80	14½	14½	15
Can. Int. I. Tr.	...	3½	..	5
Can. Lt. & Pr.	...	9	8½	10
Can. Oil 5% f.	5.00	100	99½	100
Do. 8% pref.	8.00	150	134	150
Do. 4% pref.	4.00	96½	..	94
C. Pr. & Pa. In. pf.	...	11½	11	..
Can. Shipbldg. A	♦.30	29	..	..
Do. B	♦.20	9	3	..
Can. Tire	1.00+♦.15	26	25	26
Can. Wallpaper A	1.25	19½	15½	20
Do. B	1.25	16	15½	..
Cassidy's	...	14	13	14½
Do. ref.	7.00+5.25	130	..	135
Celtic Knit.	.30+†.20	6	5½	7
Cent. Can. L'n.	8.00	205	201	..
Cent. Nor. Air. A	.50	7	..	7
Do. B	...	2.00	2.00	2.75
Chart. Trust	5.00	145	140	145
Ch. Gai Wines	.60	8	7	8½
Cinzano A	4½d	1.75	1.25	..
Do. 5½% pf.	5½%	4½	4	5
Circle Bar Knit. A	...	19	18	19
Claude Neon	...	.40	.35	.45
Cochrane-Dun.	...	7½	7	8½
Do. A	.80	14½	13½	14½
Do. pref.	1.20	24	23½	25
Conduits Nat.	.40	6½	5	6½
Cons. Div. Sec. A	...	.45	.45	.70
Do. pref.	1.00	16½	16½	18½
Cons. Fire Co.	...	5	4½	..
Cons. Litho	1.00+♦.25	21	22½	23
Cons. Press B	♦.10	3½	3½	4
Cons. Textile pf.	1.00	17½	..	17½
Corr. P. Box 5% pref.	5.00	103½	..	103½
Crain R. L.	.40	8½	7½	..
Cres. Cream pref.	♦5.00	85	82	88
Crown Cork	2.00	36	30½	..
Crown Dom. Oil	...	8	8	10
Crown Trust	5.00	115	115	..
David & Fre. B	...	6½	6	7
De Havilland	...	18½	17	20
Disher Steel	...	2½	2½	2½
Do. pref.	†.37½	21½	21½	24
Dom. A. Inv.	3.00+♦3.00	101	95	100
Do. pref.	5.00	107½	104½	..
Dom. Dairies	...	8½	8	10
Dom. Electro	...	6	4½	6
Dom. Envelope pf.	3.50	54½	54½	..
Dom. Fabrics	.80	13	..	12
Do. pref.	3.00	50	50	54
Do. 2nd pref.	1.50	30	26½	29
Dom. Magnesium	...	7	7½	8½
Dom. Malting pf.	5.00	102½	102	..
Dom. Scot. Inv.	...	3½	3½	3½
Do. pref.	†.50	40	40	41½
Dom. Square	†.50	37½	37	38
Dom. Tar & Ch. v.t.	1.00	26½	..	26½
Donohue Bros.	1.00	19½	19	20
East Koot Pr.	...	1.00	1.25	3.00
Easy Washing	1.00+†.25	15½	15½	16
Enam. & Heat	†.50	12	13	15
Equitable Life	.50	12	11½	12
Esmond Mills	1.00	19½	..	19½
Fed. Fire	2.00+†.25	51½	..	..
Fed. Grain pf.	♦7.00	95	..	95
Fittings	...	8	7½	8
Do. A	.60	11½	11½	12
Fleury Bissell	...	4	3½	4½
Do. pref.	†.25	13½	13½	14½
Ford Motor B	1.00+†.25	26	25	32
For. Pr. Secs. f.	...	6	5	6
Freiman	...	12	5	23
Gair Co. Can.	4.00	92	..	92
Gatin. Pr. 5½% pf.	5.50	110½	110	110½
Gen. Products A	†.75	16½	16½	17
Do. B	†.75	21	21	..
Gord. Mackay A	.50	10½	10½	10½
Do. B	.50+.12½	22	20	24
Gould Pumps	♦7.00	65½	105	..
Grand & Toy	.60	13	15	..
Gt. West Coal	.60	10½	10½	11½
Gt. West Felt	...	6½	..	8
Do. pref.	.50	7½	5	8
Gt. West Life	15.00	385	375	..
Growers Wine	...	1.80	..	..
Guaranty Trust	5.00	126	125	128
Hahn Brass	.60	8½	8½	9½
Do. pref.	1.00	19½	18½	19½
Hamilton Cot.	.90	15	14	15½
Hendershot Pa. pf.	5.00	99	97	99
Holt Renfrew	...	45	..	..
Do. pref.	♦3.50	100	..	..
Horner, F. W. pf.	.50	8½	..	9
Hubbard Felt	†.25	5	4½	7
Do. A pf.	1.50	24½	..	26½
Humberstone S.	♦1.25	21	21	22½
Hunts B	.40	10	8½	13
Huron & E. Mt.	5%+♦½%	115	112½	114½
Do. 20% ref.	5%+♦½%	23	21½	25
Imp. Tob. 6% pf.	6%	7	7	7½
Imp. Varnish	.80+♦.15	16	14½	15½
Do. pref.	1.50	31	31	..
Ind. Accept. 5% pf.	5.00	101	..	101
Ingersoll M. & T.	.50	8	6	8
Inter'c. Bak.	3.00+1.00‡	92	..	80
Inter'c. Coal	♦1.00	22	21	..
Do. pref.	8.00	125	120	..
Inter. Bronze pf.	1.50	23	15	25
Int. Coal & Co.	.03	37	37	40
Int. Metal Ind. pf.	4.50	102	..	100
Int. Mill pref.	♦4.00	110½	..	..
Int. Nickel pf.	♦7%	140	125	..
Int. Paints	...	9½	8	9½
Do. pref.	1.00	28	27½	..
Invest. Found.	†.35	7	7½	9
Do. pref.	3.00	52	52½	53½
Jam. Pub. Ser. pf.	7.00	132	132	..
L. of the Woods pf.	7.00	159	..	164
Lambert, Alf.	...	9	9½	9½
Langleys	...	1.50	1.70	2.00
Legare, pf.	†2.00	22	22	25
Levy Bros.	†.10	9	9½	12
Lindsay C. W.	...	12	12	20
Do. pref.	♦4.00	110	110	..
London Can. Inv.	†4.25	91	45	..
Mackin Steel	...	7½	7	9½
Do. pref.	5.00	85	85	..
Manitoba Sug. pf.	♦6.00	102	97	97½
Maritime Tele.	.60	19½	19½	20
Do. pref.	.70	20½	19½	..
Marcus Loew's	4.00	84½	72	..
McCabe Grain B.	†.10	6½	6	7
Melchers	...	5	5	5½
Mercury Mills	1.00+†.12	16	16	16½
Mexican Lt. pf.	...	15	..	..
Mid. Pac. Gr.	1.00	15	14½	15
Mod. Tool	.50	6½	6½	6½
Mon. Knit. pf. 4½%	4.50	95	95	99½
Mont. Is. Pr.	...	.20	..	5.00
Mont. L. & P. notes	...	50	50	..
Montreal Refrig. & S. 1st pref.	1.50	28	29	.31
Moore Corp. pf. A.	♦7.00	286	256	..
Do. pref. B	♦7.00	429	392	..
Morrison Brass	...	3½	2½	3½
Murphy Paint	.80	22	21½	23½
Nat. Hosiery B	...	10½	10½	12
N. Sew. Pipe A	...	31½	30	35
Neon Prod. of W. C.	†.40	12½	12½	..
North Star & Oil	...	3½	3½	4½
Do. pref.	.35+.08½	5½	5½	6
Nor. Can. Mtge.	†.50	15	15	..
N.S.L. & Pr. pf.	6.00	108	109½	112
Nuclear Ent.	♦4.00	12½	12½	13
Ont. Beauty Sup. pf.	1.00+♦.20	17½	..	16
Ont. Loan	5.00	120	120	125
Ont. Steel	1.00	17	..	19
Do. pref.	7.00	131½	131½	..
Ott. Car. Air.	...	10	9½	11
Ott. L.H.&Pr. pf.	5.00	102½	..	..
Pantepec Oil	♦♦.32	12	..	..
Paton Mfg.	.80	18	19	30
Do. pref.	1.40	32	25	..
Paul S. S.	.35	15	15	16
Penmans pref.	6.00	153	..	149
People's Cr. Sec.	.25	5½	5½	8
Photo Eng.	†1.50+†.75	27	25½	27
Price Bros. pf.	4.00	95	95	96
Purity Flour	.50	9½	9½	10
Que. Telephone	.40	10½	10½	11
Quinte Milk A	.60	9½	9	10
Do. B	...	1.35	1.50	..
Reitman's 5% pf.	1.00	17	17	17½
Renfrew Tex.	.60	8	7½	9½
River S. Mill B	2.00	10	10	13½
Robertson P. L.	2.00	44	45	47
Do. pref.	2.50	48	48	..
Robinson Cotton	.40	12½	12	12½
Robinson Little	...	8	8	9
Do. A	1.00	15½	15½	17
Rolland Pap. pref.	4.25	101	..	101
Russell Indust. pf.	7.00	605	..	625
Sangamo	.50	10½	..	10
Sarnia Br.	.60+♦.15	14	14	14
Scarfe & Co.	.80	15½	..	16
Scythes & Co.	.76+†.19	14	12	14½
Do. pref.	1.25	25½	25½	..

Stocks Not Traded This Week (Continued)

Sher. Wms. pf.	7.00	144	144	150
Silknit	...	13	..	13
Simon & Sons pf.	5.00	104½	..	104½
Slater N.	1.20+†.30	25½	25½	27½
Do. pref.	2.12	48½	..	50
St. Law. Corp. 1st pf. new	...	33	..	..
Do. 2nd pf. n.	...	11	..	..
St. Law. Flour	1.60	30	28	30
Do. pref.	7.00	151	151	155
St. Law. Paper, 1st pref. new	...	90	..	92½
Do. 2nd pf. new	...	37	39	40
Stand. Clay.	...	13½	13½	..
Stand. Radio	...	5	4½	5
Stanley Brock B	.40	5½	5	5½
Stedman Bros.	.60	15	14	15
Sterling Coal	...	10	10	12
Sterling Trust	5.00	112½	110	113
Stowell A pref.	1.50	22	20½	24
Do. B	...	5	..	6
Stuart, D. A. pf.	.80+♦.60	18½	17½	..
Sup. Pete Ord.	2.00	51½	..	50
Do. com.	2.00	52	..	..
Do. pref.	1.50	27½	..	..
Tamblyn pref.	2.00	49½	..	49½
Taylor Pearson	†.25	4½	4½	5
Thayers	...	9	8½	..
Do. pref.	†2.50	33	35½	..
Theatre Props.	...	5	5	6
Thrift Stores	1.00	15½	15	15½
Tip Top Can. A	.50	9½	9	9½
Tip Top Tailors	.30	18½	18½	19½
Tooke Bros. n.	.40	7½	..	9
Toronto Gen. Tr.	7.00	172	172	..
Toronto Iron*	.60	9	9½	9½
Tor. Mortgage	5.00	106	106	106
Traders Bldg.	4.00+1.00‡	86	85	..
Traders Fin. A	1.00+†.25	42½	37	45
Do. B	1.00+†.25	39	37½	42
Do. A rights	1.00	21½	21	24
Do. B rights	1.00	21½	..	..
Un. Amuse. A	♦1.50	34	34	..
Do. B	♦1.50	32	31	..
United Corp. A	1.50	29½	29½	30
Do. B	1.00+†.30	16	16	17½
United Distill.	†.60	18	17½	20
Viau Ltd.	†.25	21	21	..
Do. pref.	5.00	101	101	..
Viceroy	†.12	9½	9½	..
Waterous Ltd.	.80	11	10½	11½
Do.	.80	13	..	13½
West Koot pf.	7.00	173	..	..
West Brew.	1.60	20	19	20
West Grain pf.	...	34½	19	21
West Grocers pf.	1.40	31	31	33
Westminster Pap.	.80	19	..	18½
Willson Stat.	...	6.50	6.00	10.00
Do. pref.	5.00	100	..	98
Windsor Hotel	...	10	9	10½
Wood, A. & J. P.	7.00+♦1.75	127½	108	124½
Woods Mfg. pf.	2.00	54	45	52
York Knit. A n.	...	7½	7½	7½
Zellers 5% pref.	1.25	26	26	26½
Do. 6% pref.	1.50	28½	28	..

▪Paid in 1946. ‡Extra. xOn arrears. †Paid or payable in 1948. ♦N.Y. funds. ♦Paid in 1947. §Net after income taxes. ♦♦Paid in 1947-48.

Mining Stocks

Alta.	...	.10	..	.10
Amer. Neph.	...	.29	.30	.40
Anglo-Hur.	.20	8.50	8.50	8.75
Bayonne	...	.06	.06½	.06½
Beaucourt	...	.24	.12	.19½
Bouscadillac G. M.	...	.03	.03	.06
Bouzan	...	.05	.06	..
Brazil Gold	...	.01	.02½	..
Bridge River	...	.04	.03½	..
B.R.X. Can.	...	.08	.07	.09
Bunker Hill	...	.05	.03½	.06
Celta Devel.	...	.06	.06	..
Cent. Manitoba	...	.08	.08	.09
Cryderman	...	.01½	..	.01½
Flin Flon	...	.02½	.02	.03
Fontana '45	...	.05	.05	.05½
Found Lake	...	.04	.03	.05
George Copper	...	.09	.09½	.15
Goldbeam	...	.11	.10	.13
Gold Lake	...	.01½	.01½	.03
Goodfish	...	.01½	.01½	.03½
Gt. Falls M.	...	.04	.02	.03
Grull Wihksne	...	.05½	.04½	.07
Hoyle	...	1.05	.40	1.00
Hudson R.	...	.10	.10	.15
Int. Mining	...	4.75	..	..
Island Lake	...	.00½	.00½	.01½
Jack Waite	...	.08	.08½	.11
J. M. Cons. Gold	...	.04	.02½	.04
Kootenay Belle	...	.07	..	.08
Lake Fortune	...	.03	.03½	.04
Maralgo	...	.03	.04	.05½
McGillivray C.	...	.10	.10	..
Mentor Explor.	...	1.00	.50	.75
N. Louvre	...	.05	.05	.10
Nicholson	...	.04	.04	.06½
Norgold	...	.02	.02	.04
Normandy	...	.03½	..	.04
North. Empire	‡.10	1.50	1.50	2.50
O'Leary	...	.13½	.13½	.14
Orenada	...	.10	.08	.10
Packsack	...	.01	.02	.03
Partanen Mal.	...	.02½	.02½	.03
Premier Border	...	.04½	.04	.04½
Prospectors Air's	...	.30	.38	.50
Red Cloud	...	.01½	..	.02
Red Crest	...	.05	..	.08
Reeves McDonald	...	1.30	1.00	1.50
Rice Lake	...	.02	.01	.02
Ryanor	...	.07	.07	.10
Scotia Gold	...	.01	..	.01½
S. American G.	‡.20	1.10	..	..
Standard G.	...	.08	.09½	.11
Star L.	...	.00½	..	.01
Steeloy	...	.10	.09	.13½
Sudbury Contact	...	.04	.04½	.05
Sunloch	...	.10	..	..
Taku	...	.55	.52	.59
Tiblemont	...	.15	..	.20
Union Min.	...	.09	.09	.10
Vicour	...	.10	.10	.12
Villbona	...	.05	.03	.05
Wellington	...	.02	.02	.03
Westville	...	.04	.03	.04
Winnipeg R. Tin	...	.00½	.00½	.01
Yukon Cons.	...	1.00	.95	1.05
OIL STOCKS				
Acme Gas & Oil	...	.07½	.06½	.08
Advance	...	.03	..	..
Arrow	...	.10	..	..
Coastal	...	.15	.16½	.22
Federated P.	...	.40	..	.45
Coastal	...	.15	.16½	.22
Federated P.	...	.40	..	.45
Marvel	...	.01½	.01½	.02
Merland	...	.02	..	..
Mill City	...	.11½	.08	.11
Nat. Petroleum	...	.22	.19	.29
New Valley	...	.03½	..	..
Nordon	...	.17	.16	.24
Richfield	...	.03½	..	.04½
Richland	...	.04	..	..
Royal Crest	...	.03½	.03	.04
South West Pete	...	.25	.25	..
Spooner	...	.15	.15	.25
Turner V.	...	.23	.21	.40
Vulcan	...	.22	.23	.40
Warner	...	.05	.05	.10

†Paid or payable in 1948.
§Paid in 1947.
‡Paid in 1946.
♦Dividend deferred.
*N.Y. Funds.

Government Bonds

Feb. 24, 1948

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	103¾	104¼
3	Mar. 1954 ...	104¾	105¼
3	Nov. 1956 ...	103¾	104¾
3	May 1957 ...	102½	103¾
3	Jan. 1959 ...	101¾	102¾
3	June 1960 ...	101¾	102½
3	Feb. 1962 ...	101½	102½
1¾	Nov. 1950 ...	100½	101¼
3	Oct. 1963 ...	101½	102¼
3	Sept. 1966 ...	101½	102½
1½	Nov. 1949 ...	100¼	101¼
1½	Nov. 1948 ...	100¼	100¾
Dom. of Canada Bonds:			
3½	Nov. 1951 ...	101¼	102
3½	Feb. 1962 ...	103¾	104¾
3	Oct. 1952 ...	102¼	103
3	June 1955 ...	102¾	103½
3	June 1958 ...	102½	103½
4½	Nov. 1959 ...	104¾	105½
3½	June 1966 ...	102¾	103¾
3	Perpetual ...	100	101
4½	Nov. 1958 ...	102	102¾
Dom. Guarant'd Bonds Can. Nat. Railways:			
3	Jan. 1959 ...	101½	102½
4½	Sept. 1951 ..	*106½	*108
4½	Feb. 1956 ..	*110	*112
4½	July 1957 ..	*111	*113
4¾	June 1955 ..	*111	*113½
5	Feb. 1954 ...	113½	114¾
5	Feb. 1970 ..	*108¾	*110½
5	Oct. 1969 ..	*108½	*110

%	Due	Bid	Ask
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	*111½	*113
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	*98¾	*101½
4	Jan. 1962 ..	*108½	*111
Montreal Harbour Com.:			
5	Nov. 1969 ..	*108½	*110½
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1956 ...	100¾	102¾
4½	Apr. 1961 ...	115½	118½
5	Jan. 1960 ...	118	121
2¾	June 1966 ...	92½	93¾
Nova Scotia:			
3	Jan. 1952 ...	101¾	103
3½	June 1956 ...	102¾	104¼
3½	Nov. 1950 ...	102¾	104¼
4½	Nov. 1960 ...	121	124
5	Mar. 1960 ...	123½	126
3	June 1958 ...	101	102½
Ontario:			
3½	Nov. 1951 ...	101½	103
3½	May 1955 ...	103½	104¾
4	June 1962 ...	119½	122
4½	June 1950 ...	104¾	106½
4½	Jan. 1962 ...	125½	128½
5	Oct. 1948 ...	101½	102½
5	Dec. 1960 ...	129	132
2¾	July 1976 ...	95	96½
Ont. Hydro Commission:			
3½	Feb. 1953 ...	101¾	103
4	Aug. 1957 ...	115	118
2¾	June 1971 ...	95	96½
Prince Edward Island:			
4	Mar. 1954 ..	102	104

%	Due	Bid	Ask
Quebec:			
3½	Mar. 1959 ...	102¾	104½
3¾	Feb. 1955 ...	104½	106
4½	Aug. 1958 ...	109½	111¾
4½	Jan. 1963 ...	113½	115½
3	Feb. 1962 ...	99½	101
4	Nov. 1952 ...	104½	105½
Alberta:			
3½	June 1964 ...	99½	100¾
3½	June 1959 ...	102½	104¾
3½	June 1972 ...	100½	101¾
British Columbia:			
4	Dec. 1957 ...	112½	116
4½	Jan. 1951 ...	103½	105½
4½	Oct. 1953 ...	114½	117½
5	Apr. 1954 ...	117½	120½
2¾	Apr. 1966 ...	95	97
5	Sept. 1953 ...	110	112½
Manitoba:			
4	Dec. 1957 ...	113	116½
4½	Dec. 1956 ...	117½	121
5	Dec. 1959 ...	122½	125½
5½	Oct. 1955 ...	115	118
Saskatchewan:			
4	Sept. 1954 ...	99½	101½
4	Nov. 1960 ...	99½	101¾
4½	Oct. 1951 ...	107½	110
5	Aug. 1958 ...	105½	108½
4½	Mar. 1960 ...	104½	107½
5	Dec. 1959 ...	108½	111½
5½	Oct. 1952 ...	104¾	107½
6	Mar. 1952 ...	106¾	109½

*N. Y. funds.

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Intercity Securities Corp. and Kamm, Garland & Co.)

Feb. 23, 1948

	Bid	Ask.
Aikenhead Hardware	75.00	80.00
Acadia Apts. com.	10.00	12.00
Allens Kingston units	75.00	....
Allens London Theatre pf.	60.00	....
Allens Toronto units	40.00	...
Anglo Amer. Timber	....	1.25
Anglo Can. Telephone A	10.00	11.00
Barrymore Cloth pfd.	79.00	....
Beach Foundry pfd.	90.00	....
Beauharnois L. H. & Pwr.	9.00	10.00
Beauharnois Pwr.	3.00	4.50
Brinton Peterboro Carpet	87.00	...
British Amer. Assur.	70.00	....
British Mtge. & Trust	185.00	....
B. C. Sugar	89.00	92.00
B. C. Telephone 1st pfd.	112.00	115.00
Brockville Trust $50 par	60.00	....
Canada Tea pfd.	95.00	...
Canadian Airways	2.50	...
Can. Co-op. Woolgrowers	8.00	10.00
Candn. Fire Insce. $10 par	19.00	21.00
Can. & Foreign Sec. com.	6.00	....
Can. Indemnity $10 par	17.00	....
Can. Invest. Fund	4.30	4.75
Can. Investors Corp.	7.00	7.75
Candn. Motor Lamp	9.75	10.75
Can. Silk Products A	22.00	24.00
Can. West Nat. Gas com.	60.00	....
Do. pfd.	19.00	20.00
Capital Wire Cloth com.	11.25	....
Do., pfd.	23.00	....
Cardy Corp. A	7.50	9.00
Cawthra Apts. units	6.50	....
Chase A. W. units	44.00	....
Colonial Realty com.	7.00	....
Colonial Steamships com.	79.00	....
Commercial Finance com.	15.00	18.00
Commercial Life 10% paid	8.00	....
Commonwealth Inter. Corp.	3.29	3.62
Confed. Life Assoc. 30% pd.	160.00	....
Cons. Oka Sand & Gr. pfd.	2.00	4.00
Do. com.	.50	1.50
Continental Life 20% pd.	42.00	....
Cooksville A	10.00	11.00
Do. B	4.00	5.00
Copeland Flour Mills units	41.00	....
Crown Life Ins. 100% pd.	310.00	....
Cuban Can. Sugar com.	4.25	5.25
Debenture & Securities pf.	100.00	....
Detroit Inter. Bridge	10.50	12.50
Dom. Can. General Ins.	210.00	....
Dom. Life Assurance	220.00	....
Dover Industries Ltd.	10.00	11.25
Dunlop Tire pfd.	24.50	26.00
Dupuis Freres pfd.	25.75	26.75
Empire Brass A	19.00	21.00
Empire Life Ins. 25% pd.	17.00	19.00
Essex Packers pfd.	46.50	50.00
Do., com.	6.00	9.00
Excelsior Life Ins. 40% pd.	100.00	....
Foreign Power Co.	6.00	8.00
Foreign Power Sec. pfd.	5.00	6.00
Galt Brass com.	34.00	....
Goderich Elev. & Trans.	15.50	16.50
Great West Life	375.00	400.00
Guardian Realty pfd.	44.00	....
Guaranty Co. of N. A.	390.00	....
Guelph & Ont. Svgs. $50 p.	61.00	....

	Bid	Ask.
Gurney Foundry com.	20.00	....
Halifax Insurance	15.00	16.50
Hart Battery com.	7.50	....
Highland Dairy pfd.	53.00	....
Homewood Sanitarium	120.00	....
Hudsons Bay ord.	10.00	13.00
Imperial Life	350.00	370.00
Indust. Mtge. Trust $50 par	60.00	....
Ingram & Bell pfd.	101.00	....
Interprovincial Brick A pf	....	75.00
Do. B pfd.	....	30.00
Lambton Loan $50 par	83.00	....
Laprairie com.	....	8.00
Do. pfd.	93.00	98.00
Loblaw Groc. Inc.	18.50	19.50
Manufacturers Life Ins.	340.00	360.00
Maxsons Food System	.50	....
Moirs Limited 6% pfd.	120.00	125.00
Monarch Life 20% paid	93.00	....
Monarch Mtge. units	4.25	....
Montreal Trust Co.	91.00	....
Morrow Screw com.	24.00	....
Mortgage Discount units	.50	....
Mountainview Apts. pfd.	19.00	....
Nat. Drug & Chem. c new	6.50	7.25
Do., pfd.	10.75	11.75
Nat. Life Assoc. 25% pd.	72.00	77.00
Neilson, Wm. pfd.	105.00	....
New Brunswick Telephone	12.75	13.75
New Method Ldry. units	112.00	....
Nor. Amer. Elev. 1st pfd.	75.00	85.00
Northern Tel. com.	1.75	2.25
Old Comrades Brewery	.85	1.00
Ont. & Que. Ry. 6% cap stk	145.00	....
Ontario Tobacco Plant un.	108.00	....
Paramount Oshawa pfd.	85.00	....
Peller Brewing com.	6.00	7.50
Do. pfd.	22.00	23.50
Provincial Bank of Canada	16.00	16.75
Prudential Trust	11.00	....
Quality Steels com.	.60	.90
Ritchie Cut Stone pfd.	5.00	6.25
Royal Trust Co.	101.00	....
Sawyer Massey com.	1.50	2.25
Second Stand. Roy. pfd.	.02	.04
Seiberling Rubber com.	....	9.00
Sincennes McNaught. Tugs	2.50	....
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	36.00	39.00
Standard Fuel pfd.	46.00	49.00
Do. com.	3.00	5.00
Sun Life Assce.	435.00	450.00
Third Can. Gen. Inv.	3.00	3.50
Toronto Carpet pfd.	99.00	....
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.50	4.50
United Steel A pfd.	24.00	26.00
Victoria Trust & Svgs.	132.50	...
Washington Royalties	.50	....
Waterloo Manufacturing c.	5.00	6.50
Waterloo Trust & Savings	125.00	....
Western Assurance com.	67.00	69.00
Do., pfd.	41.00	....
Western Grain com.	....	1.00
Do. pfd.	19.00	21.00
Wood, Alex. & James com.	3.00	....
York Trading com.	12.00	....

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1947: Monthly Figures:												
Jan.	179.9	253.7	124.9	63.0	182.9	124.0	303.5	124.0	108.1	133.1	117.7	106.2
Feb.	184.9	264.3	125.3	68.6	190.6	129.3	302.5	145.3	110.4	133.4	121.8	109.4
Mar.	180.5	257.6	123.1	65.8	185.9	129.3	291.9	140.2	111.6	130.6	120.1	106.4
Apr.	180.9	242.3	122.8	64.4	180.1	128.6	281.6	136.8	110.3	130.1	117.7	104.8
May	180.3	234.7	120.2	66.9	177.0	127.5	279.5	136.4	109.2	130.7	115.6	104.4
June	177.1	244.5	119.7	67.9	178.0	126.7	289.3	135.8	110.5	129.2	116.7	105.3
July	183.4	261.0	119.3	68.8	179.7	127.3	307.2	136.6	110.6	129.0	120.2	107.4
Aug.	182.1	255.4	117.8	66.6	178.8	126.9	303.1	135.0	108.8	129.4	117.1	105.5
Sept.	178.7	258.6	117.2	64.2	176.2	124.4	304.0	132.9	109.8	128.6	116.9	104.1
Oct.	185.4	275.4	118.1	63.5	180.3	121.7	320.0	133.9	108.9	126.8	117.0	105.5
Nov.	188.0	281.9	119.0	65.1	191.1	121.1	324.0	138.2	107.0	135.0	114.7	107.3
Dec.	190.2	271.4	116.2	65.8	188.6	121.8	321.0	136.1	102.6	133.6	112.1	106.2
1948: Weekly Figures:												
Jan. 2	192.7	271.2	115.5	70.6	186.8	121.9	320.8	136.9	100.6	133.9	114.2	108.9
Jan. 8	193.7	264.8	114.3	72.9	187.4	122.2	320.7	135.8	99.7	132.9	113.5	109.7
Jan. 15	189.6	258.2	116.3	72.0	192.9	117.4	315.2	132.2	102.8	132.9	113.5	108.5
Jan. 22	186.1	246.0	111.8	68.8	188.0	111.1	295.7	128.4	101.7	130.6	111.7	104.9
Jan. 29	187.3	253.6	110.9	68.4	186.8	115.8	308.8	129.3	102.5	132.3	111.6	105.9
Feb. 5	183.5	248.3	109.0	66.6	187.3	113.9	303.3	126.1	99.6	130.9	111.6	104.3
Feb. 12	173.7	236.9	104.6	64.1	181.8	112.2	288.1	121.1	95.5	128.4	109.3	100.6
Feb. 19	177.3	241.4	104.4	65.9	184.3	111.1	293.4	121.4	97.3	130.8	110.6	101.9

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Feb. 23	......	......	......	......
Feb. 21	167.60	48.52	31.75	60.46
Feb. 20	167.44	48.40	31.74	60.38
Feb. 19	167.86	48.68	31.94	60.62
Feb. 18	168.04	48.80	31.95	60.70

	30 Indust.	20 Rails	15 Util.	65 Stocks
Feb. 17	167.89	49.02	31.93	60.72
Month ago	171.18	50.02	32.36	61.87
Year ago	181.40	51.42	37.36	65.74
1947-48 high	186.85	53.85	37.55	67.10
1947-48 low	163.21	41.16	31.65	57.33

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Feb. 23	157.63	101.58	82.62	32.25
Feb. 21	157.73	101.79	82.61	31.79
Feb. 20	157.42	100.49	82.64	31.51
Feb. 19	158.32	101.20	82.75	31.46
Feb. 18	158.59	101.58	83.17	31.70
Feb. 17	159.12	99.37	83.42	31.59
Month ago	165.00	99.14	86.62	32.71
Year ago	180.88	112.86	91.66	26.94
1947-48 high	164.21	120.26	96.14	37.77
1947-48 low	155.68	95.97	77.91	22.28

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Feb. 23	72.0	112.7	99.2	316.06	73.88
Feb. 21	72.1	112.5	99.0	316.91	73.25
Feb. 20	71.6	112.2	98.6	314.91	73.19
Feb. 19	71.8	112.1	98.7	313.17	73.20
Feb. 18	71.7	112.8	99.1	315.69	72.34
Feb. 17	72.1	113.4	99.6	316.57	71.83
Month ago	73.7	117.7	103.0	322.56	71.27
Year ago	77.4	128.1	111.2	356.72	74.37
'47-'48 high	78.8	130.0	112.5	395.50	83.03
'47-'48 low	71.0	111.5	98.0	287.28	67.80

Unlisted Mines

Approximate quotations, 3 p.m., Feb. 23, subject to confirmation:

	Bid	Ask
Abenakis	2½	3½
Advance	4	5
Alcan	2	4
Alexander	4	6
Aljo	1½	3
Ama Kir	6	8
Anna'que	2	4
Argonaut	2	4
Audley	1	2
Aurora Y	9	12
Auterra	1½	2½
Baker	3	4
Barb L n	2	4
Beauriv	3½	5
Bi-Ore	40	45
[illegible]	1½	2½
Blue Grass	1	3
Bouzanne	5	7
Bradnor	1	3
Bouri C	2	4
Br Breest	1	3
Braminco	14	17
Bravo	1	2
Bright RL	3	4
B McDade	13	16
Burley Po	1½	3
Camlaren	3	5
Captain	2	4
Carlmac	3	5
Carricona	1½	2½
Cassidy	4	6
Cen Mani	7½	8½
Cock RL	3½	4½
Columbier	1½	2½
Con Chib	18	21
Con Cop	7½	9
Courageo	2½	4
Craibbe	9	11
Croydon	3	5
Cuyuni	47	55
Delhi	5	8
Derlak	3½	5
De Sant n	5½	7
Dom Mal	1½	2½
Dom Nick	3½	5
Dona Pat	1½	2½

	Bid	Ask
Durham	10	13
Doris	2	3
Echo Indin	3½	5
Electra	4	7
Elmac	4	6
Erin Kirk	2	3
Erndale	23	25
Eltoro	—	22
Flicka	2	3
Gan Cop	1	3
Gilbec	½	1½
Goldpac	21	24
Goodrock	1½	2½
Gord Lebel	8	10
Gov Gold	3	5
Grnd Chib	25	—
Granleduc	40	43
Greenlee	5	8
Grndhog	10	15
Gulf L	140	160
Gwilliam	3½	4½
Halden	11½	13
Habitant	3	4
Harp Mal	1½	2½
Hayes Cd	1½	2½
Hornfault	8	10
Hugh Pam	10	13
Independ	5	7
Joannes D	1½	3
Kamlac	14	17
Ken Bay	8½	10
Kencour	3	5
Kenda Pe	9	12
Kenroy	1	2
Lk Expa	7	9
Laf-Add	2	4
La Salle	7	8
Lavalie	2½	3
Legardo	1½	2½
Lennie	3	5
Lingora	14	16
Louvore	1	2
Macho-R	11	14
Major Oil	3½	4½
Malen RL	4	6
	9	11

	Bid	Ask
Marquette	2	4
Mar Bird	4	6
Mary Ann	—	7
Mat Con	38	43
Mate Yel	4½	6
Metalore	2	5
Miles RL	17	18
Mindus	4	7
do vt	4	7
Mink	5	7
Mistassini	14	17
Moffat H	1½	2½
Mohawk P	2	4
Murbell	1	2
Murmac	5½	7
McCusig	5	7
McManus	5	7
Nat M	12	14
Nayb '45	30	23
Newcore	29	32
New Aug	9	11
New Mal	2½	3½
Nw Ranch	7½	8½
Nickel L	—	16
N Offsets	325	300
Norbeau	5	6
Norcourt	2½	3½
Norford	2½	3½
Normar	6	8
Nortyne	—	3
Novele P	3	5
Obalski	4	7
do '45	9	12
Obaska	13	15
Oklend	4	5
Olivet	2	3
Opemiska	10	13
Orofina	25	27
Ortona	4	5
Palermo	—	20
Pascalis	16	18
Peg ant	—	40
Pelangio	4½	4½
Payne	6	8
Phelps	1½	2½
Pinnacle	1½	2½

	Bid	Ask
Ponna Go	1	3
Presdor	2	3
Princess	9	11
Princeton	—	20
Privateer	25	28
Quejo	5	7
Quest	2	4
Rajah RL	3	5
Rambull	—	2
Rand Mal	6	8
Randona	2	4
Raymond	2	4
Rebair	20	23
Redruth	1	2
Redwood	6	7
Richgroup	5	7
Riffyolite	1½	2½
Russet	5	7
Salmita	5	6
Santiago	14	16
Sepha	2	3
Sheldon	18	22
Silv Arro	16	19
Skynner	2	4
Sovereign	2	4
Starlight	4	6
Steeber	½	1
Sun Bear	3	5
Thornhill	1	2
Tiffany	1	3
Tobico	1½	3
Tovarich	1	2
Universal	3	5
Trans A	—	100
Val d'Bel	1½	2½
Vermilion	30	34
Viking	20	25
Villa Lead	18	30
Vincent	4	7
Vinray	7	8
Wesley	1	2
West RL	2	3
Wilwood	1½	3
Yelknife	200	225
do vt	200	225
Y Davids	20	22

Municipal Bonds

Feb. 24, 1947

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55	99	102	3.45
Vancouver	3	'67	94½	97½	3.17
Calgary	3½	'51-61	99½	101½	2.95
Edmonton	3½	'49-59	100	102	1.87
Regina	3	'64	94	97	3.23
Moose Jaw	3-3½	'60	97	100	3.25
Winnipeg	2¾	'66	95½	97½	2.82
Ottawa	3	'54	102	104	2.33
Toronto	2¾	'72	94	97	2.92
Hamilton	3	'53	102	104	2.18
Windsor	2½	'75	73½	76½	4.00
Windsor	2¾	'75	77½	80½	3.90
Windsor	3½	'75	90	93	3.92
Montreal	3	'70	96	99	3.06
Quebec	2¾	'66	93	95	3.11
Halifax	3	'65	96	98	3.14

Investment Trusts

	Bid	Asked
Affiliated Funds	3.58	3.92
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.30	4.75
Can. Invest. Corp.	7.00	7.75
Commonwealth Int.	3.25	3.60
Corporate Invest.	8.10	8.80
Trans-Canada, A	12.95	....
Do., B	11.45	12.35

CHILDS GOLD MINES has been advised by the provincial secretary that its Ontario charter has been accepted for surrender and will be cancelled March 8.

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pr. pf. $2.50	.62½	Apr. 1	Mar. 1
Do. pf. $1.50	.37½	Apr. 1	Mar. 1
Acadia Atlantic A	.25	Apr. 1	Mar. 10
Do. pfd.	1.25	Mar. 15	Feb. 20
Agnew-Surp. Shoe	.12	Mar. 1	Jan. 30
Aluminium Ltd.	2.00	Mar. 5	Feb. 6
Aluminum Co. 4% p.	.25	Mar. 1	Feb. 4
Amer. Cyanamid	†.25	Apr. 1	Mar. 4
Anglo-Can. Oil	.05	Apr. 8	Mar. 25
Anglo-Can. Tel. A	.15	Mar. 1	Feb 10
Argus Corp.	.15	Mar. 1	Jan. 31
Do. 4½% pfd.	1.12½	Mar. 1	Jan. 31
Aunor Gold	.05	Mar. 1	Feb. 10
Auto. Elec.	.10	Mar. 15	Feb. 21
Do. A	.12½	Mar. 15	Feb. 21
Bank of Montreal	.20	Mar. 1	Jan. 31
Bank of Toronto	.30	Mar. 1	Feb. 14
Banque Candn. Nat.	.20	Mar. 1	Feb. 14
Barber-Ellis	.25+.12½	Mar. 15	Feb. 28
Beatty Bros.	.60	Apr. 1	Mar. 15
Beaver Lumber, A	.25	Apr. 1	Mar. 10
Do., pfd.	.35	Apr. 1	Mar. 10
Beld.-Cort.	1.50	Apr. 1	Feb. 29
Do. 7% pfd.	1.75	Apr. 1	Feb. 29
Belleterre Que.	.10	Mar. 15	Feb. 16
Borden Co.	†.60	Mar. 1	Feb. 11
Br. Am. Bank Note	.25	Mar. 15	Feb. 23
Br. Amer. Oil	.25	Apr. 1	Mar. 4
Do. 3¾% pfd.	.234375	Apr. 1	Mar. 4
B. C. Packers, A	.37½	Mar. 15	Feb. 25
Do. B	.13	Mar. 15	Feb. 28
Bath'st Pr. & Pa. A	.37½	Mar. 1	Feb. 3
Brewers & Dist.	.60+.30	May 20	Apr. 20
Bruck Silk Mills	.30	Mar. 15	Feb. 16
Burns & Co., A	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Do., Cl. B	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Burrard Drydk. A	.11	Mar. 15	Feb. 25
Cal. & Ed. Corp.	.05	Apr. 15	Mar. 12
Canada Cement pfd.	.32½	Mar. 20	Feb. 20
Can. Crushed Stone	.10	Mar. 20	Mar. 1
Can. & Dom. Sugar	.20	Mar. 1	Feb. 10
Can. Foundries A	.37½	Mar. 15	Feb. 27
Can. Malting	.50	Mar. 15	Feb. 14
Can. Packers A	.75	Apr. 1	Mar. 1
Do. B	.25	Apr. 1	Mar. 1
Can. Perm. Mtge.	2.00	Apr. 1	Mar. 15
Can. Safeway 4½% p	1.12½	Mar. 1	Feb. 14
Cn. Vinegars	.15	Mar. 1	Feb. 16
Can. Wire & C. A	1.00	Mar. 15	Feb. 29
Do. B	.25	Mar. 15	Feb. 29
Candn. Breweries	.50	Apr. 1	Feb. 27
Candn. Cot.	.55+.50	Apr. 1	Mar. 1
Do. 6% pfd.	.30	Apr. 1	Mar. 1
Candn. Fairb'ks-M.	.25	Mar. 1	Feb. 13
Candn. Food	.18½	Apr. 1	Feb. 27
Do. A	.25	Apr. 1	Feb. 27
Do. 4½% pfd.	1.12½	Apr. 1	Feb. 27
Can. For. Inv. Corp.	1.75	Apr. 1	Mar. 1
Candn. Ice Mach. A	.20	Apr. 1	Mar. 18
Candn. Intnl. Inv. Tr. pf.	6.25	Mar. 1	Feb. 13
Can. Int. Inv. Tr. p.	6.25	Mar. 1	Feb. 13
Can. Inv. Corp.	.10+.05½	May 1	Apr. 5
Can. Pac. Rly.	.75	Mar. 31	Feb. 23
Can. Locomo.	1.00+1.50	Mar. 1	Feb. 10
Candn. Tire	.25	Mar. 1	Feb. 20
Candn. West. Lumb.	.10	Apr. 15	Mar. 18
Do.	.10	Jul. 15	June 17
Do.	.10	Oct. 15	Sept. 17
Can. W. Nat. Gas p	.20	Mar. 1	Feb. 16
Cassidy's pf.	1.75	Mar. 1	Mar. 1
Chartered Trust	1.25	Apr. 1	Mar. 15
Chatco Steel 5% pf.	.25	Mar. 1	Feb. 20
Chesterville Mines	.05	Apr. 30	Apr. 9
Cinzano Ltd., A	4½d	Mar. 15	Mar. 1
Do., 5½% pfd.	2¾%	Mar. 31	Mar. 15
Cockshutt Plow	.25	Jun 1	May 1
Do.	.25	Dec. 1	Nov. 1
Confed. Life 30% p.	1.50	Mar. 15	Mar. 10
Consol. Bakeries	.25	Apr. 1	Mar. 6
Consol. Theatres A	*.13	Mar. 1	Feb. 18
Consumers Glass	.50	Feb. 28	Jan. 27
Cooksville A	*.15	Mar. 1	Feb. 16
Corr. Pap. Box	.25	Mar. 1	Feb. 10
Do. pfd.	1.25	Mar. 1	Feb. 10
Davis Leather A	.37½	Mar. 1	Feb. 2
Do. B	.17½	Mar. 1	Feb. 2
Dist. Corp.-Seag.	.30	Mar. 15	Feb. 24
Dom. & Anglo Invest. Corp. pf.	1.25	Mar. 1	Feb. 14
Dom. Scot Invest. 5% pf.	.50	Mar. 1	Feb. 10
Dom. Stores	.37½	Mar. 16	Feb. 16
Dom. Tar & Chem.	.25	May 1	Apr. 1
Do. pfd.	.25	Apr. 1	Mar. 1
Dom. Textile	.15+.15	Apr. 1	Mar. 18
Do. 7% pfd.	1.75	Apr. 15	Mar. 12
Donnacona P. p 4½%	1.12½	May 14	Apr. 15
Do. com	.50	Apr. 1	Mar. 1
Donnell & Mudge	*.20	Apr. 1	Mar. 10
Do. A	.25	Apr. 1	Mar. 10
Donohue Bros.	.25	Mar. 1	Feb. 15
Eastern Steel	.15	Mar. 1	Feb. 14
Eddy Paper, A	.25	Mar. 15	Feb. 16
Electrolux Corp.	†.40	Mar. 15	Feb. 16
Empire Life Ins. 20-25% pd.	4%	Mar. 1	Feb. 1
Fanny Farmer	†.37½	Mar. 31	Mar. 12
Fed. Fire Ins.	1.00	Aug. 16	Aug. 12
Fed. Grain 6½% pf.	5.00	Mar. 1	Feb. 16
Ford Motor A, B	.25+.25	Feb. 27	Feb. 6
Gair Co. Can. 4% p	1.00	Mar. 1	Feb. 14
Gatineau Pwr.	.30	Apr. 1	Mar. 1
Do. 5% pfd.	1.25	Apr. 1	Mar. 1
Do. 5½% pfd.	1.37	Apr. 1	Mar. 1
Gordon Mackay A	.12½	Mar. 15	Feb. 16
Do. B	.12½+.12½	Mar. 15	Feb. 16
Grafton & Co. A	.25	Mar. 15	Feb. 25
Gt. Lakes Paper	.40	Mar. 1	Feb. 13
Gypsum Lime	.25	Mar. 1	Jan. 31
Do.	.25	Jun 1	May 2
Do.	.25	Sep. 1	July 31
Do.	.25	Dec. 1	Nov. 30
Hallnor Mines	.07	Mar. 1	Feb. 10
Ham. Bridge	.12½	Apr. 1	Mar. 15
Ham. Cotton	.22½	Mar. 1	Feb. 10
Harding Carpets	.20	Apr. 1	Mar. 15
Hinde & Dauch	.25	Apr. 1	Feb. 28
Home Oil	.25	Mar. 10	Jan. 30
Howe Sound	†.50	Mar. 15	Mar. 5
Hudson Bay M. & S.	1.00	Mar. 8	Feb. 6
Huron & Erie Mtge.	1½%	Apr. 1	Mar. 15
Imp. Tob. ord.	.10+.20	Mar. 31	Feb. 17
Do. 6% pfd.	3%	Mar. 31	Feb. 17
Imp. Varnish	.20	Mar. 1	Feb. 18
Do. pf.	.37½	Mar. 1	Feb. 18
Ingram & Bell 6% p.	6.00	Mar. 15	Feb. 28
Intnl. Bronze 6% pf.	.37½	Apr. 15	Mar. 15
Intnl. Metal Ind., A	.40	Apr. 1	Mar. 8
Do., B	.40	Apr. 1	Mar. 8
Do., 4½% pfd.	1.12½	Apr. 1	Mar. 8
Intnl. Nickel	†.40	Mar. 20	Feb. 19
Int. Paper	†.75	Mar. 30	Mar. 5
Do. pfd.	†1.00	Mar. 30	Mar. 5
Intnl. Utilities	†.22½	Mar. 1	Feb. 10
Inv. Found. 6% pf.	.75	Apr. 15	Mar. 15
Jam. Pub. Ser.	.25	Apr. 1	Feb. 27
Do. 7% pfd.	1.75	Apr. 1	Feb. 27
Kelvinator of Can.	.37½	Mar. 20	Mar. 5
Kerr-Addison	.03	Feb. 27	Jan. 31
Lake Shore Mines	.18	Mar. 15	Feb. 14
Lake of Woods M.	.40	Mar. 1	Feb. 2
Do. 7% pf.	1.75	Mar. 1	Feb. 2
Laura Secord	.20	Mar. 1	Feb. 2
J. A. Lang & Sons	.25	Apr. 1	Mar. 10
Loblaw Groc. A & B	.25	Mar. 1	Feb. 3
Lewis Bros. Ltd.	.25	Apr. 30	Mar. 31
W. M. Lowney	.25	Apr. 15	Mar. 15
Maclaren P. & P.	.50+.25	Feb. 28	Feb. 14
McIntyre-Porc.	.50½	Mar. 1	Feb. 2
Massey-Harris	.25	Mar. 15	Feb. 28
Do. 6½% pfd.	.62½	Mar. 15	Feb. 28
M. & O. Paper	†.50	Apr. 20	Mar. 31
J. S. Mitchell & Co.	.75	Apr. 1	Mar. 15
Molson's Brew.	.25	Mar. 25	Mar. 3
Monarch Knit.	.25	Apr. 1	Mar. 1
Do. 4½% pf.	1.12½	Apr. 1	Mar. 1
Montreal Cot.	.13	Mar. 15	Feb. 13
Do., pfd.	.44	Mar. 15	Feb. 13
Nat. Biscuit	†.40	Apr. 15	Mar. 9
Do. 7% pf.	†1.75	Feb. 27	Feb. 6
Nat. Drug.	.12½	Mar. 1	Feb. 11
Do. pf.	.15	Mar. 1	Feb. 11
Niagara W. Weav.	.40	Apr. 1	Mar. 4
Noranda Mines	.75	Mar. 15	Feb. 13
Normetal Mng. Corp.	.05	Mar. 31	Mar. 1
N. S. Lt. & Pr. 4% p	1.00	Mar. 1	Feb. 10
Do. 6% pf.	1.50	Mar. 1	Feb. 10
Ogilvie Flour Mills	.25	Apr. 1	Feb. 25
Do., 7% pf.	1.75	Mar. 1	Jan. 26
Ont. Steel Pro.	.25	May 15	Apr. 15
Do. 7% pfd.	1.75	May 15	Apr. 15
Ottawa L. H. & Pr.	.15	Apr. 1	Mar. 1
Do. 5% pfd.	1.25	Apr. 1	Mar. 1
Page-Hersey Tubes	.40	Apr. 1	Mar. 15
Paramount Pict.	†.50	Mar. 24	Mar. 4
Paton Mfg.	.20	Mar. 15	Feb. 25
Do. 7% pf.	.35	Mar. 15	Feb. 29
Petrol Oil & Gas	.03	Mar. 15	Mar. 1
Photo Engravers	.75+.75	Mar. 1	Feb. 15
Powell River	.40	Mar. 15	Feb. 21
Price Bros.	4.00	May 1	Apr. 5
Proprietary Mines	.08	Mar. 5	Feb. 6
Purity Flour	.25	Mar. 1	Feb. 6
Regent Knit. Mills	.25	Mar. 1	Feb. 13
Do. pfd.	.40	Mar. 1	Feb. 13
Do.	.40	Jun. 1	May 14
Do.	.40	Sep. 1	Aug. 13
Do.	.40	Dec. 1	Nov. 12
Robinson Little, A	.25	Mar. 1	Feb. 14
Do. 4½% pf.	1.06½	Mar. 15	Mar. 1
Royal Bank	.25	Mar. 1	Jan. 31
Russell Ind.	.17½	Mar. 31	Mar. 12
Do. pfd.	1.75	Mar. 31	Mar. 12
San Antonio Gold	.07	Apr. 15	Mar. 15
Scythes & Co.	.19	Mar. 1	Feb. 18
Do., 5% pf.	.31½	Mar. 1	Feb. 18
Seiberling Rub. 4% pf.	.50	Apr. 2	Mar. 2
Sher.-Williams	.20	May 1	Apr. 9
Do. 7% pfd.	1.75	Apr. 1	Mar. 10
H. Simon & Sons	.30	Mar. 1	Feb. 4
Do. 5% pfd.	1.25	Mar. 1	Feb. 4
Silknit Ltd. 5% pf.	.50	Mar. 15	Feb. 27
Silverw'd Dair., A	.15	Apr. 1	Mar. 10
Do., B	.30	Apr. 1	Mar. 10
Silverwood West. Dairies 5% pf.	1.25	Apr. 1	Mar. 10
Simpsons 4½% pf.	1.12½	Mar. 15	Feb. 16
Springer Sturg.	.03	Apr. 5	Mar. 15
Standard Chem.	.10	Mar. 1	Jan. 30
Do., 5% pfd.	1.25	Mar. 1	Jan. 30
Stand. Pav. pf.	.62½+.25	Apr. 1	Mar. 1
Do. com.	.25	Apr. 1	Mar. 1
Stedman Bros.	.25	Apr. 1	Mar. 15
Sterling Trusts	1.25	Apr. 1	Mar. 15
D. A. Stuart Gold	.20	Mar. 1	Feb. 16
Sylvanite Gold	.01½	Apr. 1	Feb. 14
Tamblyn	.25+.05	Apr. 1	Mar. 12
Do. 4% pf.	.50	Apr. 1	Mar. 12
Taylor, Pear. & Car 5% pf.	.12½	Mar. 1	Feb. 14
Toronto Elev.	.15	Mar. 1	Feb. 20
United Corp. B	.25+.30	Feb. 28	Jan. 31
United Steel	.25	Mar. 30	Mar. 10
Vir. Dare, pf.	.31½	Mar. 1	Feb. 18
Wabasso Cot.	1.00	Apr. 1	Mar. 16
Waite Amulet	.30	Mar. 10	Feb. 10

Market Comment

What stocks and bonds are doing and what prominent observers say.

Main market development has been the gradually strengthening tone in established gold producers. The action has all the appearance of steady, unhurried accumulation and represents buying by substantial interests both in Canada and the United States. Although some of the buying represents switching out of industrials as a purely defensive hedging movement, a good part of it reflects a growing belief that gold mining has seen its worst and is now on the upturn. The demand for the gold interlisteds in New York is sparking the Canadian move. By early midweek the demand was spreading into some of the junior producers.

Elsewhere inactivity ruled the market. The fact that stock averages show the smallest variation of any week this year is indicative of the uncertainty connected with major market factors and the caution which characterizes investment sentiment today. Analysts are finding it rather difficult to explain away the easier tone in the base metals that has been evident the past two weeks, particularly in the light of near record operating levels and demand. It is generally accepted that the current unsettled appearance of the commodity market has exerted some liquidating pressure on the big metals. Industry executives suggest, however, that statistics show these metals still in short supply with no evidence of price weakness so far.

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Trends & Timing, Ltd. (Toronto)—"If we were asked to go out on a limb again today we would repeat our advice based on the action of the Composite Bank Line to sell securities and stay out of the market until such time as the basis has been laid for a new upward movement in prices by an expanding economy. Equities converted into cash now will, in our opinion, ensure freedom from worry and increased purchasing power when the next bull market gets under way.

Readers must wonder why, when we make an occasional appearance in the columns of this paper, we refer so constantly to the Composite Bank Line. Why not the usual discussion about company earnings, bond yields, inflation, deflation, consumer resistance, political uncertainties and so on? Well, we believe this type of information, admittedly very useful, can be obtained by anyone, but we think it is something else again to be able to properly assess their value. The vital thing is to relate the effects of all the thousand and one things that happen every day in every city and town of this continent to our economy, and then to tie that in with security prices in advance of market trends.

The Composite Bank Line, made up of constantly changing banking figures, performs these two very important functions. Years of experience with it as a guide has resulted in our being able to advise clients when to buy and when to sell and for anyone looking for capital appreciation or better than average yield on their stocks, this is very important. True, we cannot, except by the merest coincidence, hope to get the top or bottom of markets, yet we have been able to secure for clients the broad part of all major swings. This is why last year, we were able, with confidence, to advise selling, and, as there is no improvement in the economic picture, to repeat the same advice now.

• • •

Cochran, Murray & Hay (Toronto)—"The reaction in the stock market and the trend toward higher investment returns results in the shares of some of the best Canadian companies being available at prices which show substantially higher yields than have been obtainable for several years.

We believe that consideration should be given to placing open orders to purchase stocks at close to current levels in view of the satisfactory yield obtainable.

• • •

Moss, Lawson & Co. (Toronto)—"The average yield of 112 paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co. on price of February 23, was 5.67%, unchanged from the previous week. The current yield compares with 5.44% one month ago and 4.35% last year."

• • •

Barron's: The Trader (New York)—Stock-bond yield comparison in the light of the money ease guaranteed by Reserve System support of long-term government bonds give no warrant for wholesale conversion of stocks into bonds. Capitalization of earnings close to the ratio prevailing at the 1942 and 1938 bottoms reveals the complete absence of inflation in the stock market. Industrial stocks are only a few points above the Japanese surrender level of 164, in Aug., 1945, whereas commodities are still 50% higher.

• • •

Barron's: The Dow Analyst (New York) — If the present slight recoil from the early February lows proves merely to be a minor recovery, any subsequent break might carry the industrials below the 164 mark. However, the railroad average even at the Feb. 10, low was seven points above its low of 41.16 set on May 19, 1947, so that any bearish implication in further weakness in the industrials might not find immediate confirmation in the railroad average.

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New Highs and Lows

During the week ended Feb. 21, 4 new highs were recorded among the "general" stock exchanges, and 63 new lows. In the mining group there was one new high and 18 new lows. In the western oils there was one new high and one new low.

GENERAL

New Highs—1947-48

Cons. Litho.
Hillcrest Coll.
Monarch Life 30% pd
Ottawa Elec. Ry.

New Lows—1947-48

Acadia Atlan. A
Ang. Can. Tel. pf.
Ang. Newf'd
Argus Corp. 4½% p.
Ashdown Hardware
Auto Elec. Ser.
Beld.-Cort. pfd.
Burrard D. D. A
Can. Bread cl. B
Can. Cement
Can. Malting
Can. Steamship
Candn. Bakeries
Candn. Bronze
Candn. Can. 1st pfd.
Candn. Car A
Candn. Ind. Alc. A
Candn. Marconi
Candn. Oil
Candn. Utilities
Davis Leather
Dom. Engineer
Dom. Oilcloth
Dom. Tar & Chem.
Eddy Paper
Fairchild Air.
Fanny Farmer
Gatineau Pr. 5% pf.
Gen. Bakeries
Gen. Steel Wares
Hotel LaSalle
Hunts A
Imp Tob. 4% pfd.
Indust. Accept.
Int. Bronze
Int. Nickel
Int. Paper pfd.
Loblaw A
McCabe A
McColl-Front.
Do. rts.
Modern Contain. A
Montreal Cottons
Nat. Breweries
Nat. Grocers
Nat. Steel Car
Nat. Trust
N. S. Lt. & Pwr.
Ont. Beauty Sup.
Orange Crush
Prov. Trans.
Shawinigan Pr. pf.
Silknit pfd.
So. Can. Pwr. pfd.
Stand. Chem. pfd.
Stand. Pav.
Stanley Brock
Traders Fin. pfd.
Tuckett Tob. pfd.
Twin City
Union Gas
Vir. Dare pfd. 5%
Geo. Weston

MINING

New Highs—1947-48

Que. Labrador

New Lows—1947-48

Akaitcho
Aumaque
Bagamac
Brewis
Cariboo
Dentonia
Elder
Formaque
Golconda
Heva G. M.
Jason
Kenville
Lencourt
Lingside
Omega
Paramaque
Privateer
Que. M'gese

OILS

New Highs—1947-48

Lowery

New Lows—1947-48

Apex

Maritime Paper Products Setup Is Being Changed

MONTREAL (Staff)—An offering of $175,000 of 5% cumulative redeemable preferred shares of Maritime Paper Products has been announced by Royal Securities Corp. Proceeds from the sale of the preferred and 15,000 common shares will be used to purchase all the outstanding common stock of Industrial Containers for a total price of $262,920. Industrial Containers is the operating subsidiary of Maritime Paper Products. Preferred shares are nonvoting, have a par value of $20, and are being offered at $19.50 a share.

Maritime Paper Products, incorporated on Jan. 17, 1948 has agreed to acquire all the issued and outstanding shares of the old Maritime Paper Products. Name of this latter company has been changed to Industrial Containers, which will be the operating subsidiary of the holding company.

Under its former name, Industrial Containers manufactured corrugated cartons and other corrugated items for industrial use. Its properties include a modern brick and terra cotta tile factory building and warehouse on freehold lands. Flute and straw liner board are purchased for fabrication and existing equipment includes an "A" flute langston corrugator, and fabricating machinery which gives the plant a rated gross capacity of 5,500 tons a year on the basis of one shift a day. Net production of finished products for sale during the year ended June 30, 1947 was 4,877 tons, the offering prospectus states.

It is stated that Maritime Paper Products (new) has purchased 1,565 shares of common stock of Industrial Containers (formerly Maritime Paper Products) from the former owners at $168 a share. C. W. Stairs, a former owner of 250 shares of Industrial Containers, entered into a contract with Lawson Paper Products on behalf of itself and all other holders of 1,238 common shares.

Under terms of the contract, C. W. Stairs agreed to purchase this number of shares and this contract was assigned to Maritime Paper Products. Other shareholders of Industrial Containers include J. McG. Stewart, 25 shares; Lt.-Col. S. C. Oland, 26 shares; W. H. C. Schwartz, 26 shares.

To cover payments of $262,920 for the common stock of Industrial Containers, $2,000 preliminary expenses and $11,375 commission payable to Royal Securities, Maritime Paper Products is selling 15,000 common shares at $6.75 a share in addition to the $175,000 of preferred stock, it is stated. After giving effect to this financing, capitalization of the company will consist of $175,000 authorized and outstanding 5% cumulative redeemable preferred shares and 15,000 common shares, npv.

According to the prospectus the land, building, machinery and equipment of Industrial Containers had a value of $228,503 as at Jan. 12, 1948, based on an appraisal of Canadian Appraisal Co. This value was based on cost of reproducing the same as new after deducting depreciation for wear and tear, etc. Average net profit of the company for the 10 years ending June 30, 1947 was $15,005. It is stated that volume of business in dollars for the first six months of the present fiscal year shows an increase of approximately 16%

Annual dividend requirements on the new preferred stock now outstanding will be $8.750. Directors of the company are: C. W. Stairs, president (also president of Wm. Stairs, Son and Morrow); J. McG. Stewart, vice-president; Arthur D. Stairs, secretary; Lt.-Col. S. C. Oland; W. H. C. Schwartz, all of Halifax.

PORTAGE LA PRAIRIE MUTUAL INSURANCE CO. reports net earned premiums of $495,356 in 1947 ($423,533 in 1946). Total losses and expenses were also higher, leaving an underwriting gain of $21,356, ($15,524 in 1946).

Surplus increased $48,695 to $1,003,394, highest figure in the company's history.

Fire insurance in force at the year end was $148 millions, of which $67.7 millions was on the premium note system. Windstorm insurance totalled $4.5 millions, $3.5 millions on the premium note system.

	1947	1946
Net prems. earned	$495,356	$423,533
Total losses & exps.	473,999	408,009
Underwr. gain	21,356	15,524
Total assets	1,790,548	1,641,070
Unearned prem. res.	302,993	233,612
Surplus	1,003,394	954,699
Fire ins. in force	148,200,000	135,300,000
Windst'm ins. in force	4,500,000	4,100,000

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Feb. 24, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	66	69	67½
†Assoc. Tel. & T.	5½	'55	104	..	106
Bell Telephone	3	'77	95½	98½	95½
B. C. Electric	3½	'67	95	97½	95
East Kootenay	3½	'67	92½	96½	92
♦Gatineau Pr. D	3½	'70	97½	100½	97½
°Do., G	3	'70	94	..	93½
Gt. Lakes Pwr.	3½	'67	95½	98½	95½
*Int. Hydro-El.	6	'44	66	69	65½
L. St. Law. Pr.	3½	'65	99½	102½	99½
†Mtl. Trams. A	5	'55	97	100	99½
Nat. Lt. & Pr.	4½	'61	101	..	101
Ott. L.H. & P.	4	'57	100½	..	100½
Power Corp.	3½	'67	95	98	95
Quebec Pwr.	3	'62	96½	99½	96½
St. Maurice Pr.	3½	'70	95	98	95
Shaw W. & Pr.	3	'71	94	97	94
Do.	3½	'70	99½	102½	99½
Union Gas	4½	'50	99½	102½	99½
United Secs.	3	'52	97½	..	97½
Wpg. El.	3½	'71	101	103½	100½
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	96½	99	96½
Acadia-Atlantic Sugar	3¾	'65	100½	103½	100½
Aluminum Co.	3½	'74	101½	104½	101½
B. C. For. Pdcts.	4	'66	94	96½	94
B.C. Pulp & P.	3½	'67	94	97½	94
Bowater's Nfld. P. & P.	3½	'68	97½	99½	97½
†Brown Co.	5	'59	99½	102½	99
Burns & Co.	4	'63	98	101½	98
Can. Steamship	3½	'57	100	103	100
Can. Brews.	3½	'67	94	97	94½
Can. Celanese	3	'62	97½	99½	97½
Can. Oil	3½	'62	97½	100½	97½
Can. West Lum.	4	'62	98½	101½	98½
C. P. R.	3½	'51	102½	..	102½
Do.	4	'49	101½	..	101½
C.P.R.	4	Perp	105½	..	109
Consol. Paper	3½	'67	98	100	98
Dom. Coal	4½	'52	100½	..	100½
Dom. Scott Inv.	3	'64	91	96	91
Dom. T. & Ch.	3½	'57	100½	103½	100½
Dom. Textile	3½	'59	103	..	103
Dom. Woollens	5	'64	99½	102½	100
Dryden Pap.	4	'61	99	..	99
E. B. Eddy	3½	'66	95	98½	96
Federal Grain	4	'64	97½	100½	97½
Ham Cotton	3¾	'59	99½	..	99½
Imperial Tobac.	2¾	'66	96½	99½	96½
Indust. Accept.	3½	'66	95	98	95
Lake St. J. P.	5½	'61	102	105	102
Do.	5	'61	101½	104	101½
MacMillan (H. R.) Export	4	'65	100½	103½	100
Maple L. M.	3¾	'63	98	101	98
Massey-Harris	3	'68	93	96	93
McColl Fron.	3	'71	94	97	94
McCormicks	4	'52	99½	..	99½
Mercury Mills	4	'59	98½	..	98½
Moirs Ltd.	6	'53	99½	..	99½
Montreal Apts.	4	'54	94	97	94
N.S. Stl. Coal	3½	'63	93	96	93½
Price Bros.	3½	'66	97½	100½	97½
Silv. Dairies	4	'60-64	98	101½	98½
Do.	4	'71	95½	98½	95½
Simpsons Ltd.	3½	'60	100½	103½	101½
Steel Co. of Can.	2¾	'67	94	97	94
Toronto Elevat.	3½	'66	99½	102½	99½
United Corp.	4	'58	99½	102½	99½
†Western Grain.	5	'63	78	82	78
York Kt. Mills.	3½	'71	97	100	97½

*Payable in Can. or U.S.
†Payable in Can., U.S. or U.K.
°Payable in U.S.
♦Payable in Canada only.
▲Payable in Can. or U.K.

Dividends Declared (cont'd)

Viceroy	.12	Mar. 15	Mar. 1
Walker-G. & W.	.37½	Mar. 15	Feb. 13
Wellington Fire Ins.	1.75	Aug. 16	Aug. 12
Westeel Pro.	.50ext.	Mar. 15	Feb. 25
Geo. Weston 4½% p	1.12½	Mar. 1	Feb. 16
Wilsil Ltd.	.25	Apr. 1	Mar. 1
Woods Mfg.	.50	Mar. 31	Feb. 28
Wright-Hargreaves	.04	Apr. 1	Feb. 24
Young-Davidson M.	.02	Mar. 15	Feb. 28

†N. Y. funds. *Initial.
§Subject to approval of F.E.C.B.
♦Spec. div.

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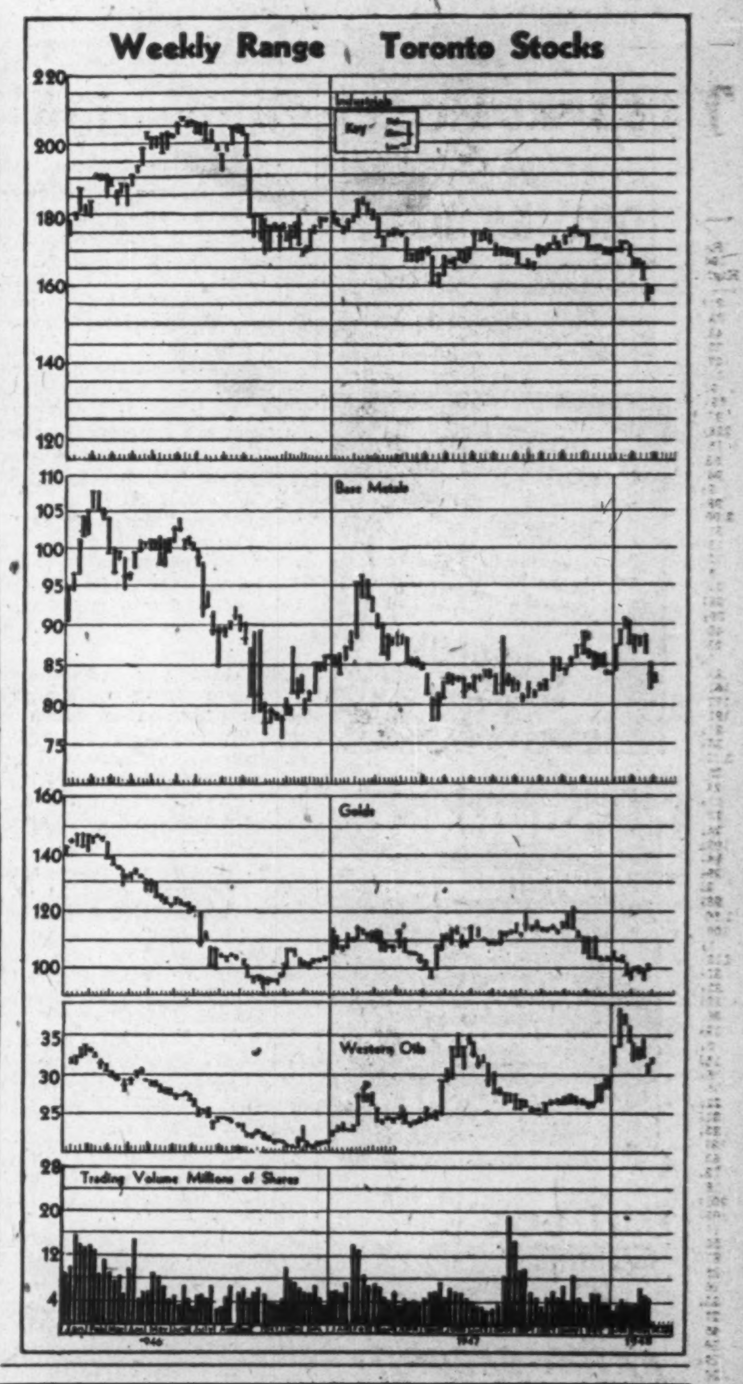

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Established 1922
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Telephone LAncaster 5101

The Fire Insurance Company of Canada

MONTREAL

Balance Sheet — December 31, 1947

Assets

Cash	$ 185,722.83
Investment Securities at Market Values allowed by the Department of Insurance	1,708,085.00
Accrued Interest	8,520.89
Due from Agents	152,768.78
Due from Ceding Companies	1,727.37
	$2,056,824.87

Liabilities

Unearned Premium Reserve (Legal Standard)	$ 382,178.88
Losses under adjustment	42,408.00
Reinsurers' Deposits	154,821.29
Due to Reinsurance Companies	49,035.45
Accrued Taxes	24,092.80
	$ 652,536.42
Contingent Reserve	205,000.00
Capital Stock: Authorized and fully paid. 5,000 shares $100 par value	500,000.00
Surplus	699,288.45
	$2,056,824.87

J. A. BLONDEAU,
President and Managing Director.

Hon. Senator DONAT RAYMOND,
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Montreal Ottawa TORONTO Winnipeg Vancouver

(From a full page in the New York Times, prepared by a prominent advertising agency)

Few Products Can Succeed—

— without dealer acceptance and cooperation. Yet some firms fail miserably in getting dealers solidly behind their product.

● Every year, advertisers embark hopefully on advertising programs doomed to failure.

Let's not blame advertising when the advertising isn't at fault! All successful advertisers know that the secret of good advertising campaigns is sound merchandising. By sound merchandising, we mean a complete sales strategy that coordinates all the forces which move goods profitably.

● And media must be chosen which will best serve to sell the product on every level of distribution.

Advertising men have learned that no product, no matter how good, or how intensively advertised, can succeed on consumer ads alone. Intelligence and aggressive merchandising must push the product — that's what makes advertising click.

● There are 51 different ways that Maclean-Hunter Merchandising Newspapers can help your aggressive merchandising. Ask the paper serving your field for a check list.

TO SELL MORE TELL YOUR DEALERS MORE!

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MACLEAN-HUNTER
Publishing Company Limited, Toronto—Montreal
(Merchandising Newspapers Division)

B.E.A.R. Tells Position Opposition After Proxies

A measure of opposition to the proposed merger of Yellowknife Gold Mines and Bear Exploration & Radium is anticipated at the special meeting called for Feb. 28 of B.E.A.R. with "against" proxies being solicited by John F. Boland, Toronto lawyer.

The proposed merger has already been approved by both directors of B.E.A.R. and Yellowknife Gold Mines, but is yet to be approved by respective meetings of shareholders called for Saturday, Feb. 28.

In a Feb. 21 letter to B.E.A.R. shareholders, Managing Director Carl Pielsticker explains the factors which resulted in the B.E.A.R. management arranging a settlement of litigation and the proposed merger. States Mr. Pielsticker:

"So that you (shareholders) may have before you the effects of the litigation in which your company has been involved and its proposed settlement, I asked our secretary to draw up figures as to the net asset value of our shares under the following three propositions:

"1. If the company accepts the unanimous decision of the five Appeal Court judges or fails upon further appeals therefrom; loses the new action brought by Yellowknife Gold Mines; and also loses appeals which Mr. J. J. Gray may bring against our company in connection with that part of the action in which he was not successful—

"His answer was approximately 40c a share.

"2. If the company accepts the compromise agreement, a copy of which has already been mailed to you —

"His answer was approximately 80c per share.

"These two answers were based on current market values for marketable securities and allowance was made for estimated legal costs and expenses involved.

"3. If the company successfully upsets the unanimous decision of the five Appeal Court judges and defeats the new actions brought by Yellowknife Gold Mines and any appeals of Mr. J. J. Gray and succeeds in collecting all of the costs and expenses of the litigation —

"His answer was approximately $1.20 per share similarly based on current market values but with no allowance for estimated legal costs.

"On the basis of these figures your directors, after grave consideration and with the recommendations of counsel, decided that the compromise is a fair one and should be accepted."

In a Feb. 18 letter to shareholders of B.E.A.R., President H. Robert Swanson states that the proposed new company, Yellowknife Bear Mines, will have shareholdings as follows:

Company:	No. of shares
Giant Yellowknife	1,141,000
Yellorex Mines	915,000
Atlas Yellowknife	1,000,000
Moher Yellowknife	1,170,000
Rich Group Yellowknife	1,154,000
Admiral Yellowknife	1,000,000
Neptune	1,000,000
Fort Rae	350,000
Redpointe	105,000
International Uranium	25,000

In addition, Mr. Swanson points out that the new company will own six groups of mining claims in the Yellowknife area. It will also have a cash balance of approximately $110,000 which will be subject to the expenses and liabilities arising out of the formation of the new company, the winding up of the two old companies and costs of litigation.

Mr. Swanson's letter to Bear shareholders intimates that the new company will probably be called Yellowknife Bear Mines Ltd. and that the first board of directors will be composed as follows: J. Bradley Streit, Ralph Pielsticker, John W. Tovell, Dr. W. F. James and H. Robert Swanson. The new company will have an authorized capital of five million shares of which 4,814,036 shares will be issued. Under terms of the proposed arrangement, Bear shareholders will receive 60 shares in the new company for each 100 shares presently held. Yellowknife shareholders will receive 2,063 shares in the new company for each 1,000 shares of Yellowknife held.

The proposed agreement received unanimous approval of both boards of directors and would settle all the outstanding lawsuits between the two companies, it is pointed out.

Silanco's New Cobalt Smelter Now Making Good Progress

Construction work at the smelting plant of Silanco Mining & Refining Co. near Cobalt is stated to be making good progress under the direction of General Engineering Co. which holds the contract for completion of the plant.

The Agaunico mine, source of Cobalt ore, is being dewatered, preliminary to resumption of production, it is stated. The next step will be the re-opening of the Beaver-Temiskaming and Foster mines, where exploration will be directed towards increasing silver production.

The company has two concentrators with combined capacity of 350 tons daily. The Colonial mill, which can handle 150 tons daily, will be used first and some improvements may be made in the former O'Brien mill.

Direction of the entire operation is under W. H. Emens, consulting engineer.

Commenting on the Silanco situation, Mr. Emens states:

"Improved mining and milling practice has made profitable ore which could not be mined in the past. Higher prices prevailing for the metals produced in the Cobalt camp has also made profitable ore that could not be mined before. Upon completion of the smelter, the marketing problem will be solved. Producers of ore and concentrates must sell to a smelter. The producer of siver bullion and oxides of cobalt nickel and arsenic have the world market for these products

Telegram Blitz Hustles Sale of Quebec-Labrador

A Montreal "investment advisory service" last week went to the trouble and expense of sending out a couple of hundred telegrams urging immediate purchase of shares in Quebec-Labrador Development Co.

Recipients of the wire in Toronto and elsewhere were told in ardent phrases that the stock then selling at 85 cents "can sell at three dollars on overnight developments stop If long we recommend doubling of holdings."

The Ontario Securities Commission reports that the organization signing these telegrams is not registered as an advisory service in Ontario.

East Sullivan Plans Progress

Annual Report Says Engineers Confident of Production This Year

With all necessary machinery and equipment on order and deliveries promised this summer, engineers of East Sullivan Mines are confident that the production stage will be reached this year, President Pierre Beauchemin states in the company's 1947 report.

The concentrator with capacity of 2,000 tons daily, will be so designed that it may be expanded to 5,000 tons daily, Mine Manager Larry T. Postle reports. By the end of 1947, concentrator foundations were largely finished, and erection of steel structure was well on the way to completion. A good start had been made on the crushing plant.

During the latter part of 1947, the shaft was deepened to 1,150 ft. with four new stations established at 600-, 750-, 900- and 1,050-ft. depth. A crusher station was established at 960 ft. and a loading pocket was cut below the 1,050-ft. station.

Underground work completed has established positive ore reserves of 3,541,000 tons having an average grade of 2.21% copper, 1.26% zinc and .025 oz. gold a ton and .46 oz. silver a ton. These reserves do not include any indicated ore where development has not been completed.

There does not appear to be any important change in either the size or the grade of the ore body with depth, it is reported.

Under the agreement signed with Noranda Mines Jan. 27, 1948, provision is made for smelting of East Sullivan's copper concentrates and other precious metals, and also for refining and marketing of these metals. Noranda has also agreed to spend up to $2 millions to assure successful operation of the mine.

The balance sheet at at Dec. 31, 1947, shows current assets of $1,753,813 as against current liabilities of $152,766 leaving working capital at $1,601,047. There were advance payments on purchase of machinery and supply of $199,607 as well, while commitments for machinery, equipment and building construction less amounts paid, are shown at approximately $980,000. A total of four million shares was outstanding.

OIL PRODUCTION

Imperial Oil Announces Woodbend Area Program

From Our Own Correspondent

CALGARY — Imperial Oil is starting two contract drilling rigs to work on offsets to its Woodbend discovery well, in the centre of the township north of the Leduc oilfield. Imperial's own power rotary, which drilled the Woodbend discovery, is going to go on another wildcat, for which location hasn't yet been announced. This is in line with the policy adopted by Imperial after its Leduc discovery last year. Imperial's own rigs are used on wildcat and extension wells, while offset wells are drilled by contractors.

The new Woodbend sites are: Imperial-Woodbend No. 2, L.S.D. 4 15-51-26w4, quarter of a mile south of the discovery well; and Imperial-Woodbend No. 3, L.S.D. 9 16-51-26w4, three-eighths of a mile northwest of the discovery.

The Imperial-Woodbend No. 1 discovery is now on steady production, and is being held at 150 bbl. daily, the maximum flow rate allowed for Leduc-Woodbend D3 zone wells. The Woodbend discovery showed a flush flow rate of 2,230 bbl. daily, after casing through D3 zone and opening the oil section by perforating the 9½-ft. intervals, 5,308-17½ ft. with 28 shots. Its oil is being trucked to the railway at present, but Imperial Pipeline Co. plans to extend its Leduc line system northward across the North Saskatchewan River to tie in with Woodbend.

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Woodbend "Split" Arranged

Imperial Oil, discoverer of Leduc and Woodbend, and the Alberta Government, owner of oil and gas rights underlying the entire Woodbend Township, have reached agreement on a Woodbend acreage split. The deal, under the regulations pertaining to crown reservations on conversion to lease, covers Twp. 51 Rge. 26w4.

Imperial acquires under lease a four-mile-square block centring on its Woodbend No. 1 discovery well, plus a section joining the block on the northeast, half a section on the southeast and half a section on the southwest—a total of 18 sections, or 11,520 acres. The leases cover: S½ Section 1, N½ Sections 2 to 5, S½ Section 6, all of Sections 8 to 11, 14 to 17, and 20 to 23; N½ Section 25, S½ Sections 26 to 29, and S½ Section 36.

The Government retains the other 11,520 acres in the township as a "crown reserve." The reserve includes rights on all sides of the Woodbend discovery, about two miles distant from the well. Southeast end of the crown reserve tract directly offsets the Leduc field's north producing limit (marked by Globe-Leduc West No. 4).

As yet the Government has made no announcements concerning disposition of its Woodbend Crown Reserve. It is expected, however, that leases on part of these will be offered for sale by public tender in the near future. Likely first offerings will be in the south and east part of the Woodbend township, closest to Leduc production. The reserves will likely be offered in quarter sections parcels. It isn't yet known whether offerings will be made on a cash or a royalty bonus basis.

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Top 100 Million Bbls.

In December, 1947, Western Canada's oil industry rolled past an important production milestone. In that month, according to records compiled, cumulative production passed 100 million barrels. Production for the full year 1947 was 7,572,572 bbl., an increase of about 116,000 bbl. over 1946, but down 2.6 million bbl. from the record year 1942.

In 1948, with oil production from Leduc rapidly increasing, with substantial gains expected from Lloydminster, and the Princess and Bantry region, Western Canada has an excellent prospect of setting a brand-new record. Production could exceed the 10,174,000 bbl. produced in 1942, when Turner Valley field reached its peak.

By the end of December, 1947, Western Canada's cumulative oil production stood at 100,217,274 bbl. Of that total, Turner Valley accounted for 92,951,168 bbl. The Valley's 1947 yield was 5,449,573 bbl. Other Alberta sources showed a cumulative of 4,183,507 bbl., of which 1,359,710 bbl. were produced in 1947. Saskatchewan's side of the Lloydminster oil area has a cumulative of 688,566 bbl., of which 534,891 bbl. were produced in 1947. Imperial's Norman Wells field in the Northwest Territories produced 228,398 bbl. in 1947, to raise cumulative to 2,394,033 bbl.

Leduc, 1947's major oil discovery is now producing over 5,000 bbl. daily, and may reasonably be expected to climb to about 20,000 bbl. daily by the end of this year.

The Lloydminster area, which started 1947 with a daily yield of 845 bbl., has climbed to 3,741 bbl. daily in December. Provided market expansion plans are successful, the field may climb to between 8,000 and 10,000 bbl. daily by the end of this year.

The Princess-Bantry region, which started 1947 with 154 bbl. daily, was up to 509 bbl. per day in December. Development of the recent Bantry discovery and continuing development at South Princess may very materially increase production by year's end.

Turner Valley, still Canada's No. 1 oilfield, started 1947 with a daily yield of 16,258 bbl., dropped to a low of 13,732 bbl. daily last August, and then commenced a slow climb, principally due to completion of a few better than average wells by Home Oil. In December, the Valley's daily yield was 14,916 bbl., an increase of about 1,200 bbl. daily over August.

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New Northern Wildcat

A new company, privately financed by a group of Calgary and Edmonton oil and businessmen, has commenced a drill test on a 20,000-acre crown reservation in the Rochester area, 45 miles north of Edmonton.

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"The Ballot"

Power Tends To Corrupt And Absolute Power Corrupts Absolutely

Inherent, inviolable is the free man's right to the ballot. Through the ages, man struggled for that right . . . the right to express himself on the means, methods, measures and men governing him. Government by ballots, not bullets, is the Canadian way . . . power gained by trickery, violence or infiltration and disruption won't do for us. Too much of history highlights the grim lessons of tyranny. And, too, the Canadians' innate sense of decency, honour and tolerance make repellant the thought of government by despotism.

With the ballot, we can (and do) remove the men and parties who fail to gauge our wishes, our temper. As for the myth of the efficiency of one-party rule—well, the Canadian of tenderest years recalls the Nazis, the Fascists, the Tojoites. The ballot is our check, our safeguard, our watchdog . . . the valve with which we let off steam. If government, men or measures irk us, we make the change by balloting.

We know that, inevitably, if sometimes slowly, our legislators act on our ballots. Movements for a change in legislation or legislators, like a snowball rolling down hill, gather weight, momentum, speed . . . and our government acts . . . or else!

Whether it be voting on a new floor for the high school gym . . . or the election of a Premier . . . we can be heard through the ballot. In evaluating the worth of the ballot to us as free men, let no complacency, no cynicism mark us as a people. It is said: "A cynic is a man who knows the price of everything and the value of nothing."

Let us give long, serious thought to our costly gained right . . . say to ourselves: I am one of 12,000,000 rulers of my country . . . of few men, in few lands can that be said: I have

FREEDOM'S WATCH DOG: THE BALLOT.

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Six "Debutante" New Gold Producers To Strengthen Dominion Gold Output

By GORDON M. GRANT

A half dozen new gold mines have definite plans for reinforcing the Dominion's gold production over the next year or so. And quite a few more are expected to make mill decisions tc provide even further reinforcement of our resources on the U. S. dollar front.

Here are Canada's "debutante producers" of the 1948-49 season:

	Daily capacity tons
Nor-Acme (Howe Sound)	2,000
Giant Yellowknife	500
Starratt Olsen	500
Queenston	500
Dickenson	200
Ogama-Rockland	150

This list does not include Quemont Mining Corp., the big Rouyn base metal mine which is expectel to turn out large quantities of gold as well as base metals.

Campbell Decision Soon

Among the properties for which production decisions are expected very soon are Campbell Red Lake, Discovery, Duquesne and Hosco. Decisions may come later for Croinor, Bevcourt, Buffadison Lingman Lake, etc.

Campbell is understood to be considering a mill in the 300-500-ton range and an announcement may come any time. Discovery is carrying on further lateral work before deciding on mill size while Duquesne is waiting on full details of the gold subsidy program before deciding whether to ship ore to the Beattie mill or to install its own. Hosco has some men working on rehabilitation of the McWatters mill, and hopes to place it in operation again this spring although no definite mill decision has been made.

Croinor and other operations appear a little further away from their production objectives.

The financing of the six mines on the "production road" has involved probably close to $20 millions. Both Howe Sound and Giant Yellowknife operations run into many millions. Other gold mines are being put into production at lesser costs; but managements of all new gold mines know only too well that prices are higher these days.

May Boost Output 7%-10%

The six new gold mines will have a combined mill capacity of nearly 4,000 tons daily. Combined production may be sufficient to lift Canada's over-all gold production by 7-10% per annum. Where these mines stand in their individual programs is summarized below.

Nor Acme (Howe Sound)

Howe Sound Co. has now completed the 1,000-ft. shaft on the leased property of Nor-Acme Gold Mines, clearing the way for large-scale preparation of its mine for production at 2,000 tons daily.

While great progress has been made in construction of necessary buildings, establishment of a townsite, etc., quite a time yet is expected to elapse before the mine will be ready to supply the proposed mill. Diamond drilling is estimated to have indicated 4,661,000 tons of ore in the main ore body averaging 0.135 oz. gold per ton.

Over-all cost of the project is expected to exceed $5 millions.

Giant Yellowknife

Announcement of arrangements for working capital for Giant Yellowknife is anticipated at this week's annual meeting. Over $5 millions is expected to be spent on the capital end of this great Yellowknife project by the time the mill finally turns over in April.

Full-scale production at capacity of 500 tons will probably get under way early in 1949 following turning on of power from the Snare River development. Entire production will come initially from No. 2 shaft. But with Snare River power, attention will also be paid to mining ore blocked out at No. 1 shaft. Sinking of a main central No. 3 shaft is planned later on.

Starratt Olsen

As outlined in last week's Financial Post, Starratt has been making distinct progress with its production plans, and expects to be milling by the end of August. Metallurgy of the company's ore is quite simple — resembles that of the west ore body of Madsen. Testing of core gave much higher values than anticipated, suggesting recovery might turn out to be closer to uncut average of assays ($10.65 a ton) than earlier expected.

Thickness of ice covering northern lakes is taken as guarantee that there will be no difficulty in getting out all needed equipment from the Uchi mine before break-up.

Queenston Gold Mines

Plans call for the Queenston mine to be placed in production early in 1949 at 500 tons daily. After considerable underground work — and extensive surface driling — a new production shaft is being put down to a depth of 1,000 ft. It is close to the half-way mark.

Queenston sold a substantial amount of treasury stock when financing conditions were better and is expected to receive any extra financing required from Upper Canada Mines, which is directing operations.

A medium grade of ore will be treated. It appears probable that the company will be a substantial beneficiary under the Dominion's gold subsidy program.

Dickenson Red Lake

At one time plans had been entertained for bringing this property into production at 1,000 tons daily. The management considered that an extensive underground development program would warrant such a production rate. But financing and other conditions proved more difficult and the company will be glad to get into production this September at 200 tons daily. It is expected that a small roaster will be installed later for the handling of a small tonnage of arsenical concentrates expected. Most of the gold will be secured without roasting.

Ogama-Rockland

Gunnar Gold, which owns close to a 50% stock interest, expects to have the Ogama-Rockland in production on a 150-tons-a-day basis before midsummer. Late in 1947, underground work was estimated to have outlined 57,000 tons, averaging $15 a ton. The company has its shaft down to 776 ft. with six levels opened; plenty of places are available for preparation of stopes.

Silver Contact Plans 10,000 Ft. Drilling

A program of 10,000 ft. of diamond drilling is now being carried out by Silver Contact Mines on its property of approximately 200 acres in Bucke twp., Temiskaming District, adjoining the town of North Cobalt.

While no values have yet been encountered, geology is reported encouraging. The property adjoins the old Ruby mine and also the Harrison-Hibbert property on which a shaft is reported being sunk after high grade values were obtained in diamond drilling last summer.

Hoyle Mining Co. and Coniagas Mines have placed $47,500 in the Silver Contact treasury and options are outstanding to them on 800,000 shares at 20 to 40 cents a share. Outstanding capital is 1,053,505 shares.

President is A. L. Bishop, president of Coniagas, while J. M. Cunningham-Dunlop, president of Hoyle, is vice-president.

Naybob in Production Again Handles 100 Tons Per Day

Milling operations were resumed at the South Porcupine property of Naybob (1945) Gold Mines on Jan. 9, 1948, a first gold brick has been poured and another is expected before end of the month, The Financial Post is informed.

The management carried on the operation quietly and it was not generally known that production had been resumed. About 100 tons of ore are being handled and it is hoped to work this up to 200 tons daily in perhaps the next six months.

Lower grade ore is being treated from old stopes and elsewhere, until preparation of new stopes permits treatment of a better average grade of ore. While production is not large, it is regarded as a "useful bit of knitting" and should qualify the company for payment under the proposed gold subsidy program.

Naybob (1945) Gold Mines has an authorized capital of three million shares, of which 2.5 million were outstanding at last report.

Anglo-Rouyn Cuts Vein at 900 Ft.

Lateral work on the 900-ft. level at Anglo-Rouyn Mines has cut the No. 1 quartz vein and established continuity of the vein from the 500-ft. level, The Financial Post is advised. The vein was intersected 585 ft. from the shaft and some 70 ft. from the north fault, proving a total vertical range on dip of 1,250 ft. from the 500- to 900-ft. levels.

The vein in the crosscut was 13 ft. wide and initial muck samples on a 6.5-ft. section, equal to 30 tons, assayed 0.32 oz. gold. The wall rock on both sides of the vein section is altered and well mineralized with quartz and pyrite, making a total actual width for the structure of 17 ft.

Surface drill hole No. 62, which returned 0.29 oz. value across a 11.1-ft. width, is located some 460 ft. farther south from where the crosscut intersected the vein. Drifting is being carried south and north on the vein.

MINING CONCENTRATES

ARMISTICE GOLD MINES has cancelled outstanding option to Bellebry Yellowknife Mines on 50,000 shares at 60 cents and sold 100,000 shares at 20 cents, payable forthwith, to Foreign & Holding Investments. Issued capital—4,330,005 shares.

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BUFFALO RED LAKE MINES has extended drift for 124 ft. on 175-ft. level with channel samples averaging $25.20 across 3.3 ft. for 92 ft. of the length. A series of short test holes are being put into both walls to confirm parallel vein structure indicated by previous surface drilling. The main zone is reported officially to have an estimated length of 300 ft., containing approximately 132,000 tons of $7.70 grade down to depth of 500 ft.

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CONSOLIDATED CENTRAL CADILLAC MINES reports that balance of option outstanding to Dunlo Investors, comprising 327,000 shares at 20 to 40 cents a share, has been amended to provide for an underwriting on 100,000 shares at 15 cents a share and an option on 227,000 shares at prices from 17½ to 30 cents.

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DIVERSIFIED MINING INTERESTS OF CANADA has received payment for Feb. 15 underwriting of 50,000 shares at 50 cents under agreement with Atlas Finance Co. Issued capital is 2,600,005 shares.

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GROUNDHOG GOLD MINES is preparing to carry out a geophysical survey on its 32 claims before embarking on a shaft-sinking program. The company is anxious to correlate surface and drilling results and outline exploration on a large part of the property which so far has had no prospecting. Diamond drilling of the main ore zone is reported to have indicated a length of 1,000 ft. averaging $10.73 across 3.4 ft.

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PETROL OIL & GAS CO. has declared a dividend of three cents a share, payable Mar. 15 to shareholders of record Mar. 1.

Negus Picks Up Vein Extensions

Further high grade values have been secured by Negus Mines, President Charles McCrea reported early this week. His statement reads:

"Sampling of the footwall section of the Campbell zone in the east crosscut on the 1775-ft. level shows 0.60 oz. ($21.00) over 5.7 ft. In making the turn out for the south drift this zone has been touched at a point 75 ft. to the south of the crosscut where the drift and a short drill hole show two ore sections averaging 1.01 oz. ($35.35) over 4.6 ft. and 0.59 oz. ($20.65) over 4.0 ft."

Heva Gold Stops Underground Job

Heva Gold Mines has suspended underground development for the present, as cost of drilling new south zone from underground exceeds cost of testing from surface, The Financial Post is informed.

Between 5,000 and 10,000 ft. of surface drilling has been recommended, to explore further the zone indicated by flat drilling from 400-ft. level over length of 900 ft. with both ends still open. Drilling would involve an expenditure of from $12,500 to $25,000.

Mine Manager W. E. Bennett is preparing a report on possibilities of mining the 100,000 tons of ore above the 400-ft. level. Sampling of drifts indicated grade in excess of $10.50 a ton. Based on a rate of 100 tons a day, preliminary estimates indicate that a profit of $500,000 might be made over a three-year period on treating the ore, provided suitable arrangements can be made.

The crosscut on the new 525-ft level had cut the vein, and development might easily open up another 50,000 tons between it and 400-ft. level, company states.

Piccadilly-Gulf Test Down Below 3,832 Ft.

The joint Piccadilly Porcupine Gold Mines—Canadian Gulf Oil Co. Stettler test well has gone beyond 3,832 ft. for the Viking sand. Top of the Devonian limestone is expected around 4,600 ft., with the potentially productive D-2 zone around 5,200 ft. Drilling is to be carried to at least 6,000 ft. to penetrate the D-3 zone from which two thirds of production in the Leduc area is being obtained.

DICKSTONE COPPER MINES plans to offer treasury shares to registered shareholders at 10 cents a share up to and including Mar. 31, on basis of one share for each two shares held.

Senator Shoot Grades $9.98

2,025-ft. Level Ore Body Opened for Length of 195 Ft.

Drifting in "B" zone on the 2,025-ft. level of Senator-Rouyn has been carried in ore a distance of 195 ft. averaging $9.98 a ton across drift width, The Financial Post is informed.

Diorite shows on the north side in the last few rounds and drifting was stopped to do some lateral drilling. From indications, there is still ore in the footwall or south side of the drift and after drilling is completed, it may be extended a greater distance before the extremity of the ore is reached. Flat drilling from the station on this level indicated the B zone over a length of 200 ft., width averaging about 40 ft.

Prepare A For Stoping

The A zone on this level is being prepared for stoping and as soon as drifting in the B zone is completed, stope preparation will also be started.

The 2,325-ft. station level will soon be equipped with ore pass and loading pocket to handle rock from this level, while shaft sinking continues. At this time development will start on the 2,325-ft. level and an ore pass raised to the 2,175-ft. floor where station is already cut.

The shaft is scheduled to be completed to initial objective of 2,625 feet, plus sump, about the middle of July, complete with five stations and necessary loading pockets and ore passes. By that date it is hoped to complete the development of at least three of the levels and by the time the mill is ready for an increased tonnage, expected about the end of July, the mine is expected to be ready to deliver it.

AERO PROSPECTING SYND. has let a contract for a geophysical and magnetometer survey of its large holdings in the Lynn Lake area, Man. Last year the syndicate staked approximately 4,800 acres on an east-west break in northwestern Ontario. Early exploration located considerable float which is reported to have run high in nickel and copper. The syndicate received 1.2 million shares of Rexora Mining Corp. and 400,000 shares of Zeus Red Lake Gold Mines for transfer of claims.

Oil Output Record For Saskatchewan

REGINA.—Peak oil production in the Saskatchewan sector of the Lloydminster field has not yet been reached, preliminary figures for January indicate. Natural Resources Minister J. L. Phelps states. Production for January was a record of 7,533 bbls., 2,326 bbls. over the previous high established in December, 1947.

"Severe weather conditions have hampered drilling," Mr. Phelps added "and at present there is little activity in the field. The latest well, drilled by Imperial Oil on the northeastern edge of the Lone Rock field, was abandoned at 2,136 ft. without encountering commercial oil."

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President E. G. Baker Presides at Meeting

I am very conscious of the honour paid me by my colleagues on the Board in asking me to become President. This position has been filled heretofore by a distinguished line of very able and devoted men, who have set high standards for the office.

The Company has been singularly fortunate over the years in the fine calibre of men who have made Canada Life their careers, and who, through ability, have risen step by step in the Company's service to assume, as senior Executives, the burden of carrying forward its great traditions.

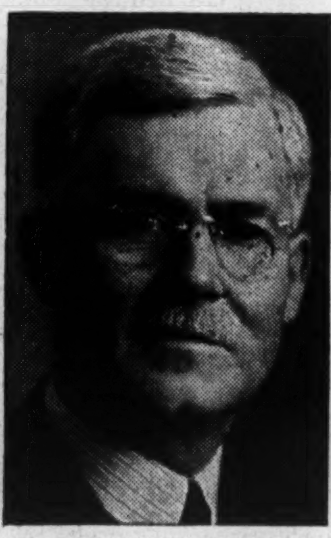
Mr. Gill will be expressing the appreciation we all have of the fine work of the staffs at all points during the past year. I should like to associate myself with what he may say, and at the same time to express my own thanks and those of the Directors to every member of the organization for the record achievements of the year.

As one who has always had a special interest in sales and service, I am impressed by the outstanding accomplishments of our Branch Managers and field organization during the past year in which many new records were established.

It is difficult to anticipate what lies ahead, but I have not the slightest doubt that our entire organization in the field, in the branch offices, and in the home office, will meet the challenges of the future, whatever form they may take, with the same loyalty and conscientious endeavour with which they have overcome the problems of the past. I am confident also that 1948 will give us the opportunity to continue the fine progress recorded in 1947.

The statement and the year's results are dealt with fully by Mr. Gill in his address. I shall only say that our Company at the present time is in the strongest position in its history. Each of us, whether a policyholder, a shareholder, or a member of the working forces, may be proud to be a partner in this great enterprise.

E. G. BAKER
President



A. N. MITCHELL
Chairman of the Board

E. C. GILL
Vice-President and General Manager

BOARD OF DIRECTORS

*E. G. BAKER
PRESIDENT

A. N. MITCHELL
CHAIRMAN OF THE BOARD

HON. LEIGHTON McCARTHY, P.C., K.C.
CHAIRMAN OF THE INVESTMENT COMMITTEE

R. A. LAIDLAW
VICE-PRESIDENT
Secretary-Treasurer, R. Laidlaw Lumber Co.
Director, Bank of Montreal

*E. C. GILL, F.A.S.
VICE-PRESIDENT AND GENERAL MANAGER

JOHN L. McCARTHY
VICE-PRESIDENT

A. E. ARSCOTT, C.B.E.
President
The Canadian Bank of Commerce

ARTHUR V. DAVIS, Pittsburgh, Pa.
Chairman of the Board, Aluminum Co. of America
Director, Mellon National Bank & Trust Co.

JOHN STUART, Chicago, Ill.
Chairman of the Board, The Quaker Oats Company

C. A. BOGERT
Director, The Dominion Bank

H. L. ENMAN
General Manager
The Bank of Nova Scotia

*RT. HON. SIR THOMAS WHITE, G.C.M.G.
Vice-President, National Trust Co. Limited
Director, The Canadian Bank of Commerce
Director, Steel Co. of Canada

*R. C. H. CASSELS, K.C.
Blake, Anglin, Osler and Cassels

*H. V. LAUGHTON, K.C.
Vice-President and General Manager
National Trust Co. Limited

J. D. WOODS, O.B.E.
President, York Knitting Mills, Ltd.
Director, The Bank of Toronto

*Policyholders' Directors

$15,266,767 Paid in 1947 To Living Policyholders

General Managei E. C. Gill Reports 454,860 Contracts Now In Force

THE year 1947 was a memorable one in many respects. Never before in our long history has our Home Office acted as host to such a large group of our representatives as we did in our Centennial which took place last June.

This gathering included men and women — Agency, Investment, and Secretarial—from every section of the countries in which we operate. It was a great inspiration to all of us to meet this wonderful group.

After the end of the year three Executive appointments were made. Mr. A. G. MacKenzie became Superintendent of Agencies; Mr. J. Q. Strong became Assistant Comptroller of Agencies; Mr. John Bain became Assistant Superintendent of Agencies.

I wish to thank the Board of Directors most sincerely for the confidence they expressed in electing me a Vice-President of the Company. I pledge myself to do everything in my power to justify that confidence.

NEW BUSINESS

1947 was a banner year from the viewpoint of new business and increase in business in force.

The large volume of protection was granted under 25,226 new life insurance policies; 2,422 new annuity contracts, and group contracts covering 16,287 cases. In other words a total of 43,935 new contracts have benefited approximately that number of people.

For the seventh consecutive year, our paid for new life insurance showed an incease over the previous year, and in every sphere of the Company's operations — Canada, the United States, and the British Isles Division—an increase was shown over 1946. It was the greatest year in the Company's history from the standpoint of new assurances paid for by our own field forces.

Altogether, the Company's Centennial Year was marked by notable accomplishments by our field representatives everywhere. Much of their success has been due to their efforts in equipping themselves to give sound advice and counsel to their clients. They are worthy of the greatest praise.

BUSINESS IN FORCE

The total comprises 454,860 contracts made up of 271,672 life insurance policies; 24,149 annuity contracts, and group contracts covering 159,039 cases.

Premium Income rose to $34,385,206.

The total volume of payments to policy holders and beneficiaries amounted to $24,552,867, and it is interesting to note that of this amount $15,266,767, or 62%, was paid to living policyholders.

ASSISTANCE IN HOUSING

The Mortgage Department made new urban mortgage loans during the year amounting to over 17 million dollars, and in the same period collected over 6 million dollars on existing accounts so that at the end of the year there was a net increase of approximately 11 million dollars in our urban mortgage investment. The new urban mortgage loans made in 1947 almost doubled those made in 1946. Earnings on these mortgages helped to minimize the decline in our interest rate during the year, and will help to maintain our rate in future years. Through our mortgage loans in 1947 we have assisted in the construction of approximately 2,700 new homes, and in addition have advanced over $5,500,000 on the security of some 1,900 existing homes.

INTEREST RATE

The interest rate earned in 1947 was 3.81% as compared with 3.90% in 1946.

The reduction in the rate from year to year is slowing down, and there have been slight increases in interest rates on new investments in all countries where we do business. Should this change in rates prove to be lasting, it is probable that we are approaching the time when our own interest rate will not drop any lower.

PRICE LEVELS

There are two subjects which are of great national importance and which are vital to our own policyholders.

I refer to the level of prices, which is uppermost in everyone's mind; and also to the level of interest rates, which, although it does not catch the headlines as much as the former, is still of importance to everyone.

While employment and the production of goods and services are continuing at very gratifying levels, the rapid rise in commodity prices, and consequently in the cost of living, has become a matter of serious concern for everyone. In fact, inflated prices have now reached a point where they have become our most pressing national economic problem.

Ultra low interest rates indeed contribute to the inflationary forces that are increasing the price levels today. If interest yields on long term investments were more attractive a considerable portion of the surplus purchasing power now exerting upward pressure on prices would be diverted to investment and savings. In other words, capital outlay for greater production would be induced. If the ultra low interest rates of 1946 and 1947 were to have continued indefinitely they would have resulted in a progressively more serious problem for those thrifty elements in the country, and through them for the whole community. Fortunately, however, a reversal was indicated by the end of 1947 in the dangerous trends of the two years 1946 and 1947.

In the United Kingdom the rates are back to approximately the point at which the war was financed. In the United States, they are already back to the same point. In Canada, they are not yet all the way back.

When all three countries get back to the point at which the second world war was financed, we will still be in a period of cheap money, but at least we well have avoided the inherent dangers that existed in the trend of interest rates in the two years following the war.

TRIBUTE TO STAFF

In conclusion, we should like again to pay tribute to every member our staffs in the Home Office, the Branches, and the Field who, during the many busy periods occurring in our Centennial Year, have willingly and loyally met the heavy demands made upon them.

THE CANADA LIFE ASSURANCE COMPANY

Statement of Assets and Liabilities at December 31, 1947

ASSETS

Bonds		$278,897,079
*Federal government	$185,107,216	
Provincial and municipal	33,161,201	
Public utility	45,600,391	
Other corporation	15,028,271	
*Canada, U.S.A., U.K., and Eire.		
Mortgage loans and agreements of sale		45,864,760
Stocks		12,485,360
Preferred	$8,320,117	
Banks and trust co's.	3,075,458	
Other common	1,089,785	
Loans on policies		13,373,480
Real estate		5,890,717
Office premises and other properties.		
Cash		1,591,687
Premiums in course of collection and instalments of 1947 premiums not yet due. (Full liability arising therefrom included in Liabilities.)		5,104,199
Interest and rents		3,401,840
Due	$ 19,996	
Earned but not yet due	3,381,844	
Other assets		839,649
Total		$367,448,771

LIABILITIES AND SURPLUS

Amount required, in addition to future premiums and interest, to provide for payments guaranteed under assurance, annuity and staff pension contracts now in force		$310,899,594
Benefits in course of payment and provision for unreported claims		4,731,991
Policy proceeds and other amounts left with the company		22,888,773
Miscellaneous liabilities		2,470,354
Including amounts in suspense and provision for accrued taxes and outstanding expenses.		
Total liabilities arising from policy and other contracts		$340,990,712
Provision for future policy dividends		6,650,000
Available for the further protection of policyholders		19,808,059
Capital stock ($1,000,000) and shareholders' fund, after payment of 1947 dividends of $200,000	$ 1,450,227	
Reserve for contingencies	6,000,000	
Unassigned surplus	12,357,832	
Total		$367,448,771

AUDITORS' REPORT

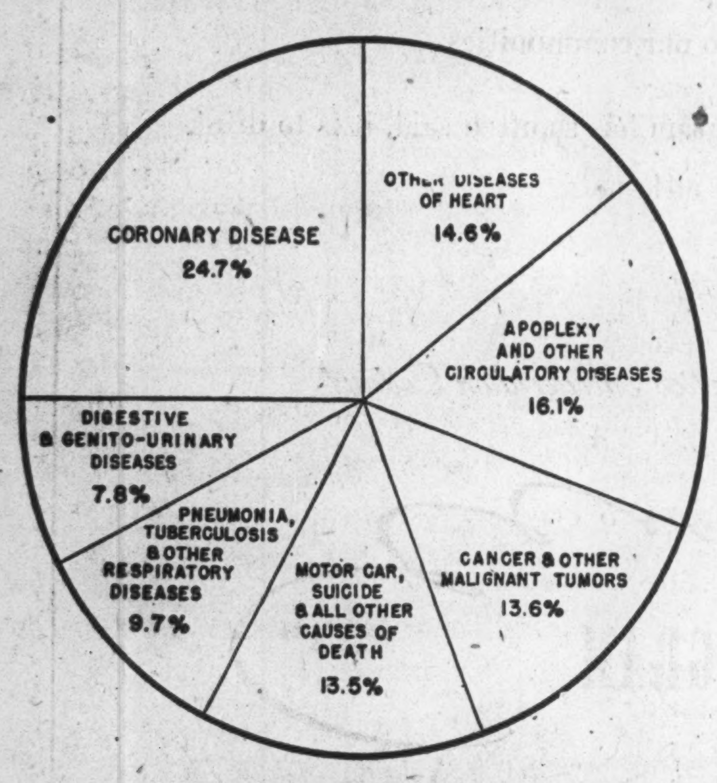
We have made an examination of the statement of assets and liabilities of The Canada Life Assurance Company at December 31, 1947 and in addition have made test audits of the transactions throughout the year. We verified the cash and the investments in bonds and stocks by certificates from the depositories or by inspection. The liabilities arising from policy contracts are stated at the amounts certified to by the Company's Chief Actuary.

The values at which the bonds and stocks are shown are not in excess of amortized cost and are less than market values. Sterling assets and liabilities are converted into Canadian funds at the rate of $4.86 2/3 to the £; if the current rate of $4.03 to the £ had been used the Company's surplus would have been increased.

We have received all of the information and explanations we have required and subject to the foregoing we report that in our opinion the accompanying statement of assets and liabilities and the related revenue statement have been drawn up so as to exhibit a true and correct view of the state of the Company's affairs at December 31, 1947 and of the results of its operations for the year ended on that date according to the best of our information, the explanations given to us and as shown by the books.

CLARKSON, GORDON & CO.,
Chartered Accountants
Toronto, Canada Jan. 19, 1948

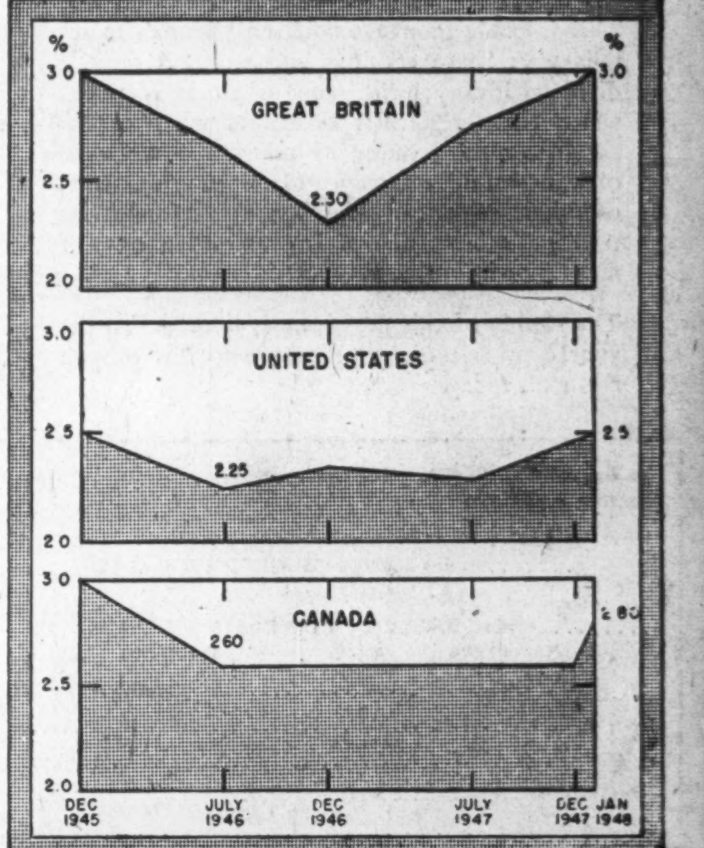
ANALYSIS OF 1947 DEATH CLAIMS



BASED ON NUMBER OF CLAIMS

Highlights of the Year's Operations:

Insurance in Force (excluding Annuities)	$1,096,877,362
New Insurance (excluding Annuities)	119,322,359
Gain in Insurance in Force	94,746,608
Total Assets	367,448,771
Gain in Assets	17,700,193
Paid to policyholders and beneficiaries	24,552,867
Interest earned	3.81%

GOVERNMENT BONDS–MARKET YIELD